

WHEN DISASTER STRIKES...



Cover photo/Houston Biz Journal 2013

City of Houston
Finance Disaster Recovery Manual



CITY OF HOUSTON

Annise D. Parker

Mayor

P.O. Box 1562
Houston, Texas 77251-1562

Telephone – Dial 311
www.houstontx.gov

November 2014

Over the past decade, the City of Houston (COH) has experienced numerous disasters each growing in strength and accumulated damage. The Finance Disaster Recovery Group (DRG) has focused on building stronger internal controls in managing disaster cost reimbursement. This manual serves to provide guidance for local government representatives to review applicable policies, procedures, templates and tools for managing when disasters strike. Additionally, it will provide guidance on the disaster recovery process with an emphasis on funding and reimbursement from key external sources. Each year, the COH conducts various disaster trainings for citywide representatives in preparation of hurricane season.

Key points to focus on are:

- Role of DRG in accounting, State and Federal reporting, project worksheet closeouts and monitoring and compliance review process;
- Preparation practices for long-term recovery efforts including best practices for project worksheet documentation;
- Compliance with Federal and State guidance;
- Role of key divisions including Insurance Management, Payroll and Strategic Procurement during a disaster; and
- Departmental responsibilities regarding documentation requirements to avoid de-obligation of funds including timely reporting and meeting deadlines.

I want to acknowledge key staff from the Financial Reporting and Operations Division— Michelle Simpson and Fazal Syed, Disaster Recovery Group; and Nickea Bradley and Gloria Moreno, Grants Management, for their tireless work in this recent edition of the Disaster Recovery Manual. When a disaster is impending, this tool should serve as the first place to look for financial preparation guidance and more importantly after the event for assistance in project cost documentation.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kelly Dowe".

Kelly Dowe, Finance Director

Council Members: Brenda Stardig Jerry Davis Ellen R. Cohen Dwight A. Boykins Dave Martin Richard Nguyen Oliver Pennington Edward Gonzalez Robert Gallegos Mike Laster Larry V. Green Stephen C. Costello David W. Robinson Michael Kubosh C.O. "Brad" Bradford Jack Christie

Controller: Ronald C. Green

Table of Contents

OVERVIEW:

Acronyms	4
Overview	5
Stakeholders	7
Finance	8

FOUR PHASES OF EMERGENCY MANAGEMENT:

Phase 1: Mitigation	
COH Hazard Mitigation	9
Federal Mitigation Grant Program	9
Phase 2: Preparedness	
Emergency Operations	10
Emergency Procurement	12
Emergency Cash	15
Internal Order	16
Emergency Payroll	17
Phase 3: Response	
Damage Documentation	19
Summary of Funding	21
Insurance	23
Duplication of Benefits	26
Phase 4: Recovery	
Public Assistance	27
Project Worksheet	31
Reporting	35

COMPLIANCE:

Funds Management	36
Project Closeout	37
Record Keeping	38
Audits	39
Audit Findings: Case Study	41

REFERENCES 42

APPENDICES

Appendix 1: Administrative Procedure 4-2	45
Appendix 2: PW Forms for Summary Records	61
Appendix 3: Eligibility Charts	69
Appendix 4: Claim Summary Form	71

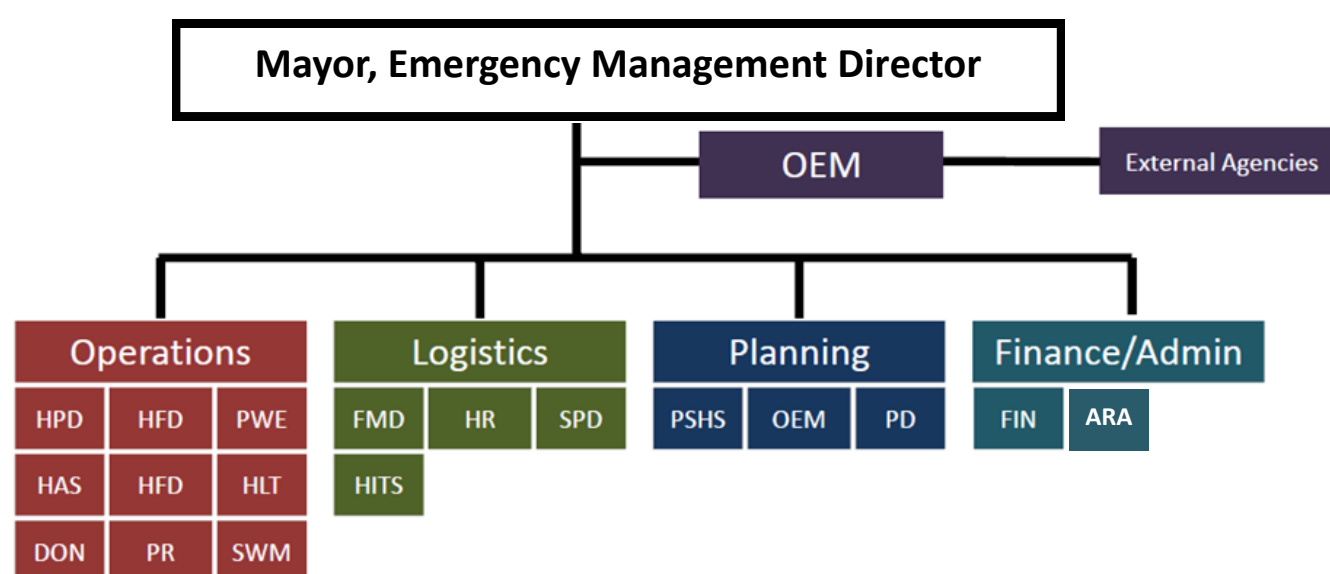
DISCLAIMER: The information provided in this manual is intended as guidance ONLY and does not relieve the City of Houston and its departments of its responsibility to comply with Federal regulations and policies. Documentation requirements may change over time. For additional information on documentation requirements for items listed in this manual, refer to the Appendix section.

Acronyms

ARA	Administration & Regulatory Affairs	HFD	Houston Fire Department
AP	Administrative Procedure	HITS	Houston Information Technology Services
CFR	Code of Federal Regulations	HLT	Health and Human Services
CMOC	Catastrophic Medical Operations Center	HMGP	Hazard Mitigation Grant Program
COH	City of Houston	HPD	Houston Police Department
DAC	Direct Administrative Cost	HR	Human Resources
DARM	Disaster Assistance Recovery Manual	HUD	US Housing and Urban Development
DDC	Disaster District Committee	I/O	Internal Order
DDCT	Disaster Data Collection Team	OEM	Houston Office of Emergency Management
DON	Department of Neighborhoods	OIG	FEMA Office of Inspector General
DPU	Departmental Purchasing Unit	P4	Project Completion Report and Certification
DRG	Disaster Recovery Group	PA	Public Assistance
ECA	Emergency Cash Account	PD	Planning Department
EDR	Expenditure Data Request	PO	Purchase Order
EPO	Emergency Purchase Order	POP	Program of Projects Spreadsheet
EOC	Emergency Operations or Operating Center	PR	Parks and Recreations
EMC	Emergency Management Coordinator	PSHS	Public Safety and Homeland Security
EPA	Environmental Protection Agency	PW	Project Worksheet
ER	Emergency Relief	PWE	Public Works and Engineering
FEMA	Federal Emergency Management Agency	RFI	Request for Information
FHWA	Federal Highway Administration	SAP	System, Applications and Products
FIN	Finance Department	SMOC	Texas State Medical Operations Center
FMD	Fleet Management Department	SOC	Texas State Operations Center
GM	Grants Management	SOP	Standard Operating Procedures
GSA	US General Services Administration	SPD	Strategic Procurement Division
GSD	General Services Department	SWM	Solid Waste Management
HAS	Houston Airport System	TDEM	Texas Division of Emergency Management
		TXDOT	Texas Department of Transportation

Overview

Emergency management has evolved to an all-hazards approach that includes potential threats to life and property through environmental, biological and technological hazards, and domestic and foreign attacks. However, preparedness is only one phase of emergency management. The Mayor is responsible for the overall coordination of the event from preparedness to post-disaster efforts utilizing the City of Houston (COH) Emergency Plan. To assist the Mayor, the Emergency Operations Center (EOC) combines various stakeholders to assist in the execution of the emergency plan.



These stakeholders include internal and external partners that play significant roles in the four phases of emergency management: mitigation, preparedness, response and recovery. The following diagram illustrates the four phases of emergency management and the larger coordination functions of response and recovery.

MITIGATION	PREPAREDNESS	RESPONSE	RECOVERY
<ul style="list-style-type: none"> Action taken to reduce or eliminate the effects of a future emergency event 	<ul style="list-style-type: none"> Actions taken to prior to an emergency event to ensure an effective response 	<ul style="list-style-type: none"> Actions taken to respond from an emergency 	<ul style="list-style-type: none"> Actions taken to recover to an emergency event

The City is required to provide comprehensive documentation of damages, materials, and personnel used during the course of the event. Managing and maintaining funding for disasters is a crucial aspect of disaster recovery. Accurately and quickly assessing the scale of damage following a disaster is difficult. The level of declaration is based on the City's ability to recover from the disaster with its own resources.

Robert T. Stafford Act authorizes Federal disaster assistance in the aftermath of a major emergency or disaster and outlines available assistance through two types of declarations:

- An Emergency Declaration is declared for any instance or occasion when the President determines that Federal assistance is needed to supplement State and local efforts and capabilities to save lives and protect property, public health, and safety.
- A Major Disaster Declaration is declared when the President determines that a natural event, fire, flood, or explosion causes damage beyond the combined capabilities of State, local governments, and disaster relief organizations.

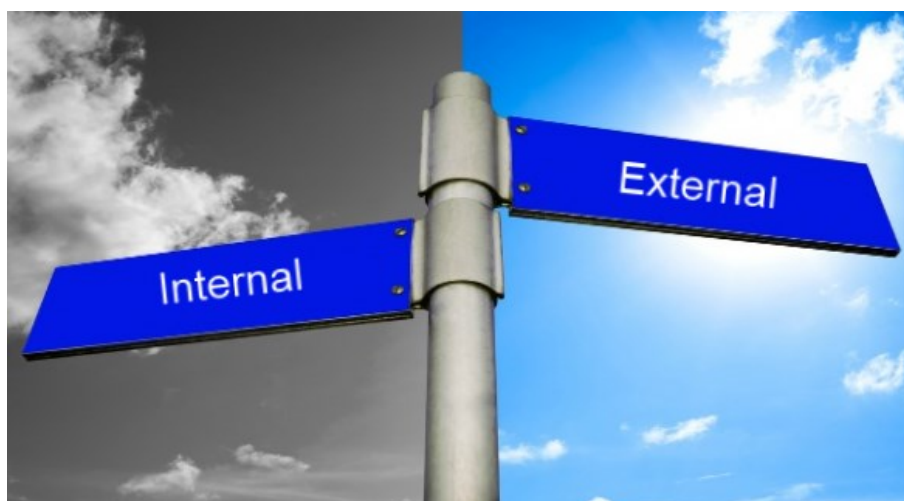


In addition to assisting in the disaster declaration, event documentation also begins with the project worksheet (PW). Project worksheets are completed for each category of work. Depending on the type of damage, each category may consist of several PWs. Furthermore, PWs are a growing, changing document serving as a coversheet to supporting documentation of costs incurred related to the work for necessary restoration. The importance of keeping accurate records cannot be overemphasized. **Supporting documentation of the event prior, during, and post disasters is critical and essential departmental responsibilities.**



Compliance of expenditures to Federal and State guidelines is critical to funding reimbursement. Periodic reviews, reports and audits are the basis for verification of the accuracy of project cost estimates. Negative findings may result in de-obligation (withdrawal) of funds or an adverse City fiscal year end report.

Lessons learned from prior audit findings serve as the catalyst for DRG process improvements through numerous citywide disaster trainings, disaster manual development and a customer service driven support for departments.



Internal and external stakeholders are essential components to effective coordination and collaboration during and after an event. The capability to recover swiftly and efficiently

increase with the commitment of stakeholders when an event strikes. Below is a summary of potential duties stakeholders complete during and after an event.

Office of Emergency Management/ Houston Emergency Center

- Oversight of emergency operations
- Enumerates responsibilities
- Emergency Plan and Functional Annexes
- Disaster Data Collection Team

Administration and Regulatory Affairs

- Liaison between City & insurance carriers
- Emergency Payroll

Finance Department

- Emergency procurement
- Cost reimbursements
- Submits quarterly reports
- Liaison for disaster recovery audits

Key COH Departments in Emergency Coordination

- Public Works & Engineering
 - Restores key services i.e. utilities
 - Repairs critical infrastructure
- Solid Waste Management
 - Conducts debris and waste collection
 - Ensures proper documentation of collection activities
- General Services Department
 - Coordinates resource management
 - Oversees major reconstruction

Texas Division of Emergency Management

- Manages disasters statewide
- Conducts damage assessment
- Reviews quarterly reports
- Audits projects

Federal Highway Administration/ Texas Department of Transportation

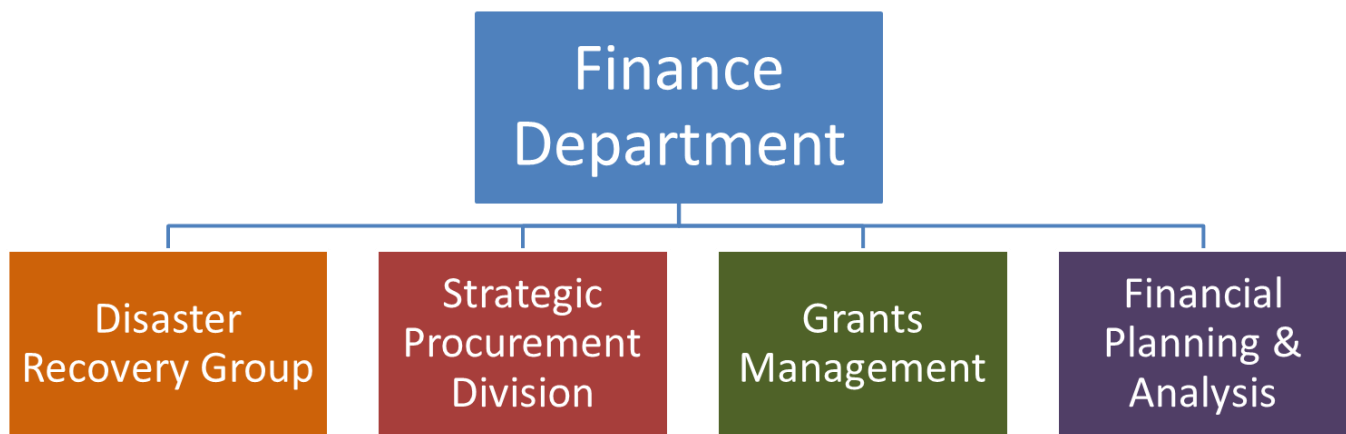
- Coordinates emergency relief
- Repairs or reconstructs Federal roads and highways

Federal Emergency Management Agency

- Determines obligation and de-obligation of funding
- Reviews project worksheet
- Conducts audits

Other Key External Partners

- Insurance carriers
- Supplementary donations
- Consultants and contractors



Disaster Recovery Group (DRG): The Disaster Recovery Group functions include periodic reporting to internal and external agencies such as the Federal Emergency Management Agency (FEMA) and the Texas Division of Emergency Management (TDEM), and facilitates cost reimbursement, project closeouts and agency audits.

http://www.houstontx.gov/finance/acct/general_accounting.html

Strategic Procurement Division (SPD): SPD is a division within the Finance department and is responsible for emergency purchases and procurement pertaining to disaster projects. SPD has developed guidance and policies for City employees to use for purchases made during a disaster.

<http://purchasing.houstontx.gov/index.shtml>

Grants Management (GM): Grants Management is responsible for the applicable grant administration and the issuance of an internal order number and grant set up in SAP, the City's financial accounting system.

<http://www.houstontx.gov/finance/grants/>

Financial Planning and Analysis: The Financial Planning and Analysis division is responsible for the development and administration of budgets pertaining to a disaster.

<http://www.houstontx.gov/finance/fpa>



FEMA & TDEM offer training in emergency management including self-studies and online courses.

www.fema.gov

www.preparingtexas.org



City of Houston Hazard Mitigation Plan

COH Hazard Mitigation



Mitigation is the effort to reduce loss of life and property by lessening the impact of disasters. The City created the hazard mitigation plan to detail concepts for administrative and operational activities, which could lead to the reduction and/or possible removal of those conditions that cause potential hazards or are hazardous to the public. It balances the cost of implementation against the potential cost of continued damages,

if such measures are not taken. Guidelines are given to manage mitigation efforts in concert and coordination with State and Federal policies. Additionally, it provides opportunities for long-term programs that could reduce the negative effects of disasters or emergencies.

Federal Mitigation Grant Program

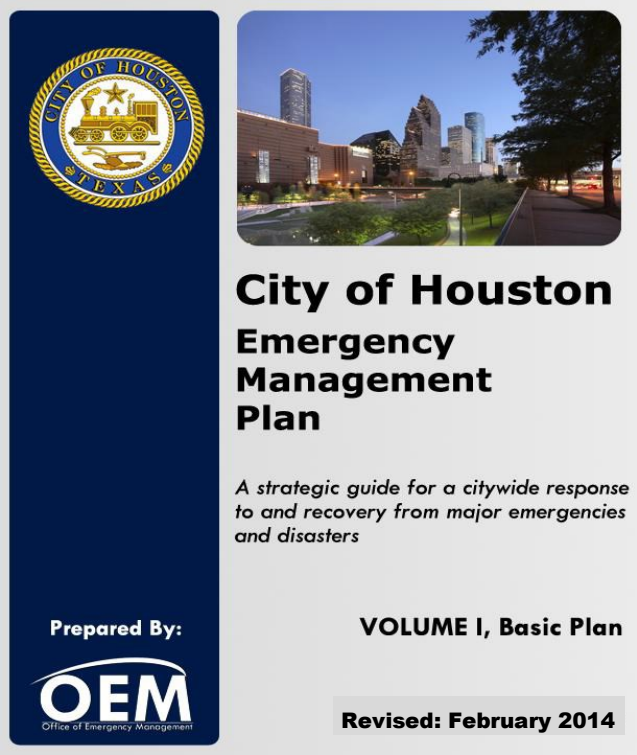
The Hazard Mitigation Grant Program (HMGP) is authorized under the Robert T. Stafford Disaster Relief and Emergency Assistance Act to implement long-term hazard mitigation measures after a major disaster declaration. Each level of government has an important, but different, role within HMGP. The City develops, coordinates, and manages the approved projects as a subgrantee of the State. Subsequently, the State monitors all program and administrative requirements. FEMA provides technical assistance to States in order to ensure effective and efficient implementation of the program. Additional subcategories of assistance have been created to provide increased funding for mitigation.



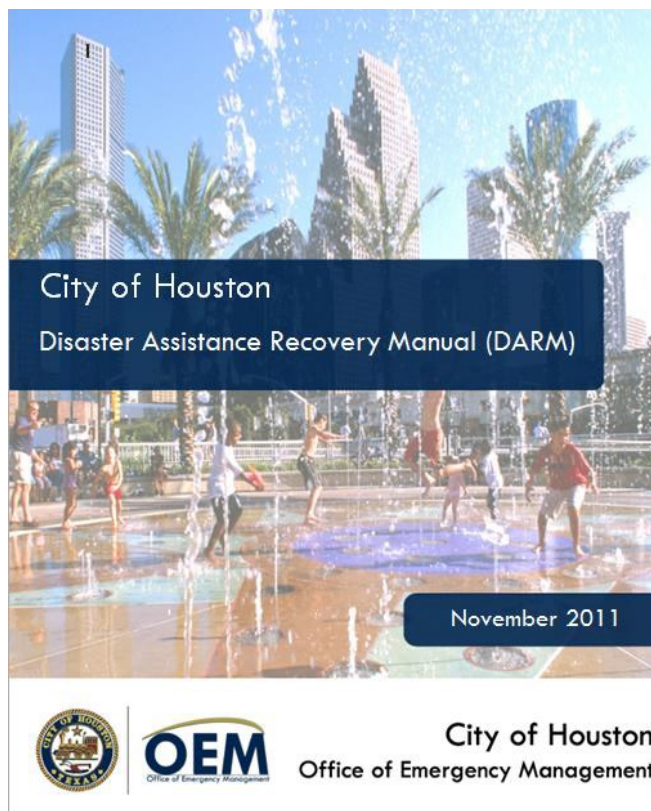
Emergency Operations

The Mayor is responsible for overall coordination and direction of the City Emergency Management Plan which includes post-disaster efforts. The Emergency Management, Basic Plan establishes the role of COH Office of Emergency Management (OEM) and provides general procedural guidance for addressing emergency and disaster situations. The plan is supported by a series of separate functional annexes that address operational response, coordination, management, recovery and mitigation to common emergencies. Additionally, annexes provide guidance of internal departmental operations in support of emergency operations. Further, this plan provides guidance on how COH coordinates operations with regional, State and Federal agencies. The plan and annexes are reviewed and revised for submission to TDEM for certification. The Emergency Management Coordinator, appointed by the Mayor, takes the lead in compiling data and coordinating inputs for all departments.

Like most major cities, OEM serves as the central collection point for all preliminary damage documentation related to City-owned facilities and infrastructure that is impacted by a disaster. Each year OEM provides departmental training on the Disaster Assistance Recovery Manual (DARM) and associated procedures. This ensures that all departments are appropriately trained on damage assessments and documentation completion. OEM also serves as a liaison and coordinator between State and Federal representatives and COH to ensure maximum recovery. Additionally, OEM’s daily responsibilities include severe weather monitoring, issuing emergency warnings and emergency resource coordination. During an event, OEM collaborates with interagency partners to coordinate a citywide response.



- | | |
|------------------------|--------------------------|
| A – Warning | M – Resource Management |
| B – Communications | N – Direction & Control |
| C – Shelter/Mass Care | O – Human Services |
| D – Radiological | P – Hazard Mitigation |
| E – Evacuation | Q – Hazardous Materials |
| F – Firefighting | R – Search & Rescue |
| G – Law Enforcement | S – Transportation |
| H – Health & Medical | T – Donations Management |
| I – Public Information | U – Legal |
| J – Recovery | V – Terrorism |
| K – Public Works | W – Debris Management |



DARM Outlines Recovery Process

- ◆ Coordinate with City departments and agencies
- ◆ Facilitate shelter operations
- ◆ Distribute public recovery Information
- ◆ Complete restoration projects

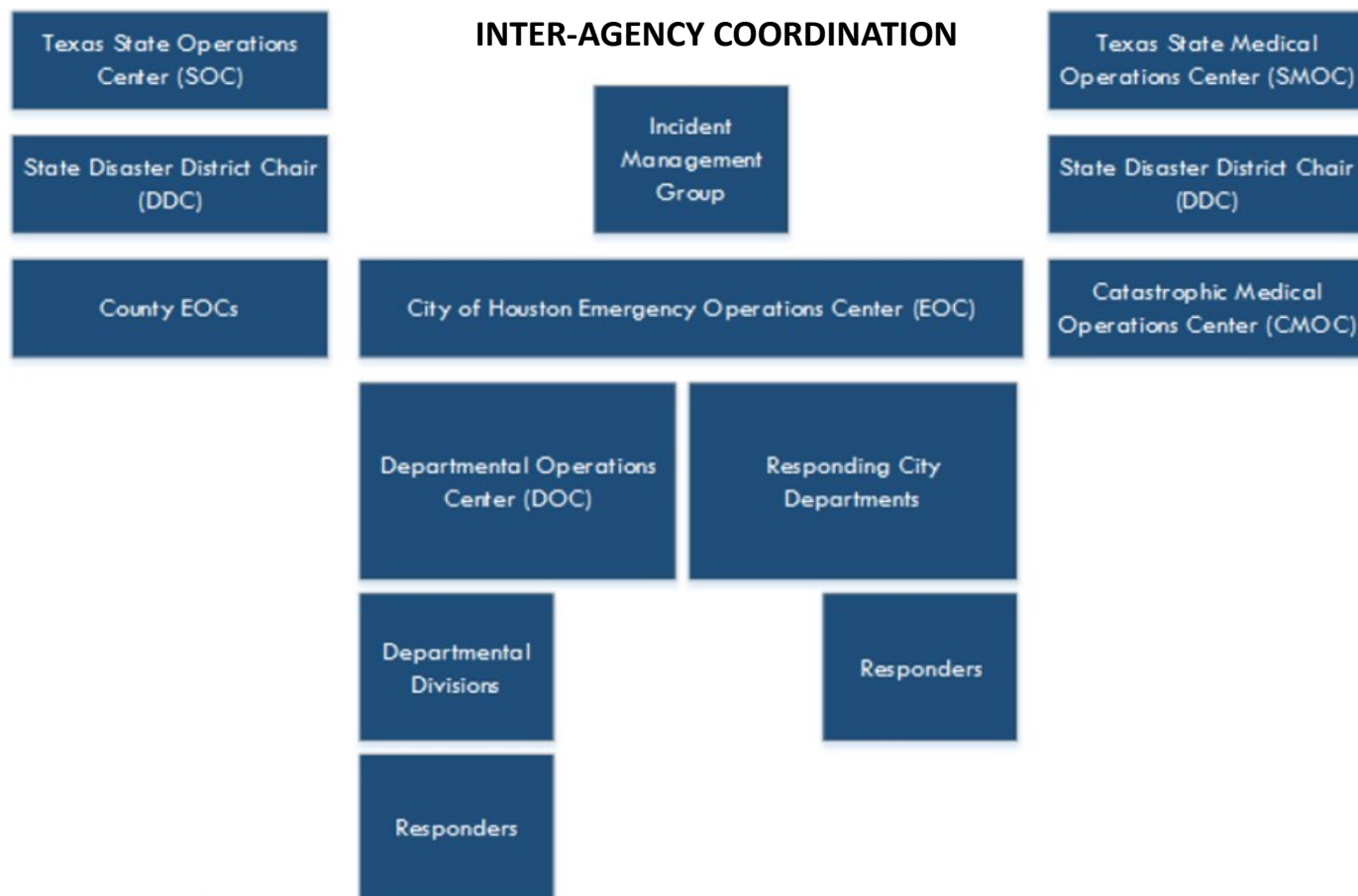
Individual and Public Assistance Programs

- ◆ Coordinate damage assessments with departments and agencies
- ◆ Collect damage information
- ◆ Develop documentation to request disaster declarations

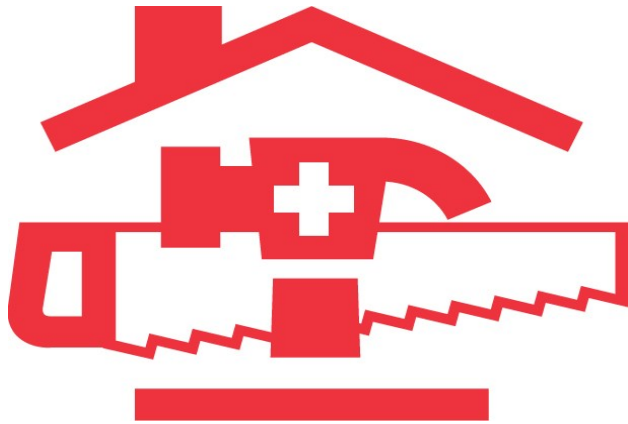
Training and Exercises

- ◆ Incident Command System and FEMA Training
- ◆ COH-Specific Response Plan Training
- ◆ DARM Training

OEM coordinates a citywide response by providing a framework for a multi-agency response and the efficient use of resources during all phases of a major emergency or disaster.



Emergency Procurement



An emergency procurement arises when a purchase is required to protect personal safety or property after a serious and urgent event occurs demanding immediate action. Such procurements should be made with competition as to the extent feasible under the circumstances. Procurement rules applicable to competition are relaxed but only for a short period after the disaster, usually 72 hours. **After 72 hours, normal competitive bidding rules apply.**

Executive Order 1-42 may authorize Pcardholders to make purchases beyond their single/monthly transaction limits during emergency preparedness or disaster.

In collaboration with “first responder” departments, “Pre-Positioned” contracts were established for activation subsequent to the disaster or catastrophic event.

Examples of pre-positioned contracts currently in place at COH are:

- ⇒ Disaster Debris Removal Services
- ⇒ Disaster Management Consulting Services
- ⇒ Mobilization, Collection, Characterization and Packaging of Household Hazardous Waste
- ⇒ Emergency Medical Transportation Services
- ⇒ Base Camp Services



The Contingency Contracting (Emergency Purchases) Guide was created to assist City employees (buyers) during a disaster. The Guide lists, alphabetically and by category, pre-approved Emergency Response Contractors with their 24/7 contact information.

The guide assists with maximizing the use of City, inter-local, cooperative purchasing contracts and U.S. General Services Administration (GSA) Federal Supply Schedules. For supplies and services not available from established contracts, the competitive bid procedures must be followed as promulgated by State and local procurement rules and regulations.

Contracting Work

Contracts must be of reasonable cost, generally must be competitively bid, and must comply with Federal, State and local procurement standards. Not all emergency work is time sensitive to the point where competitive bidding is infeasible.

Small Purchases – An Informal method for services or supplies that do not cost more than \$100,000 and are secured by obtaining several price quotes.

Sealed Bids – A formal method in which bids are publicly advertised and solicited. Contracts are awarded to the responsive and responsible bidder who submits the lowest bid. **This is the preferred method for construction contracts.**

Competitive Proposals – A formal bidding method similar to sealed bid; but the contract is awarded based on contractor qualifications, not solely on price. **This is used for procuring architectural and engineering professional services.**

“Piggyback Contracting” is not eligible. It consists of expanding on a previously awarded contract with a vendor. This does not meet procurement requirements because it is non-competitive and may have an inappropriate price structure.



There are four methods of acceptable procurement. Each is described below in general terms.

1. **Lump sum contracts** for work within a prescribed boundary with a clearly defined scope and a total price.
2. **Unit price contracts** for work done on an item-by-item basis with cost determined per unit.
3. **Cost plus fixed fee contracts**, which are either lump sum or unit price contracts with a fixed contractor fee added into the price.
4. **Time and materials contracts**, while acceptable, **should be avoided**. These contracts when used are for a limited period (generally not more than 72 hours) for work that is necessary immediately after the disaster has occurred when a clear scope of work cannot be developed. However, be aware that FEMA has strict guidelines and requirements to qualify for FEMA reimbursement when these contracts are used. Monitoring is critical and a competitive process still should be used to include labor and equipment rates.

NOTE: Cost Plus + Percentage of Cost contracts are NOT allowed

Departmental Responsibilities

Before a purchase can be made, the Departmental Purchasing Unit (DPU) reviews the justification and verifies that an emergency exists. The DPU prepares a justification letter documenting the nature of the emergency, for example hazard to life, welfare, safety or property and what caused the emergency. The justification letter must detail the estimated impact or damage (financial or otherwise) that may result from following standard procurement procedures. Buyers must follow the procurement procedures set forth in:



- COH Guide to Contingency Contracting (Emergency Purchases)
- COH Administrative Procedure 5-2
- COH Executive Order 1-14
- Section 252-022 of the Texas Local Government
- Title 44 Code of Federal Regulations 13.36

The DPU submits the requisition form and justification letter to the Strategic Procurement Division. SPD, in consultation with the Office of the City Attorney, reviews and determines if an emergency purchase order (EPO) is warranted. The State limit for EPOs is \$50,000. For EPOs equal to or greater than \$50,000 and if time permits, SPD shall obtain City Council approval before issuing the EPO. If time does not allow, SPD must obtain City Council approval for such EPOs equal to or greater than \$50,000 as soon as possible thereafter.

Documentation of procurement methodology prior, during and post disasters is a critical and essential departmental responsibility, as there is significant scrutiny of individual expenditures.



Procurement file should contain:


- Procurement process used – e.g. publically advertised request for bids, copy of all contractor proposals, proof of public opening of bids and contractor selection or rejection criteria
- Selection process and bid analysis
- Evidence of Federal Debarred list of contractors (www.sam.gov) check to determine if the selected contractor/supplier is on the list. The evidence of a debarment check must accompany a document, e.g. a screen print on the day the debarment check was performed.



Emergency Cash

An emergency cash account (ECA) is created when a state of emergency is declared by the Mayor and used to assist departments with access to cash for use in disaster recovery. All funds allocated must be withdrawn in one lump sum, thereby activating the ECA. Each ECA shall have a primary custodian and up to three alternate custodians. To

document transactions the journal entries must be made with ECA receipts for all expenditures. ECA purchases are limited to goods or services that cannot reasonably be accommodated through existing contracts and serve to directly assist in disaster recovery (see Appendix 1).

CITY OF HOUSTON EMERGENCY CASH ACCOUNT RECEIPT		Dept. No.*		No.**			
Paid by:		Paid to:					
							
DESCRIPTION		Phone:					
		Address:					
		TAX EXEMPTION I.D.		1-74-600-1164-0			
		INTERNAL ORDER #					
		AMOUNT					
Date:	Received by:						

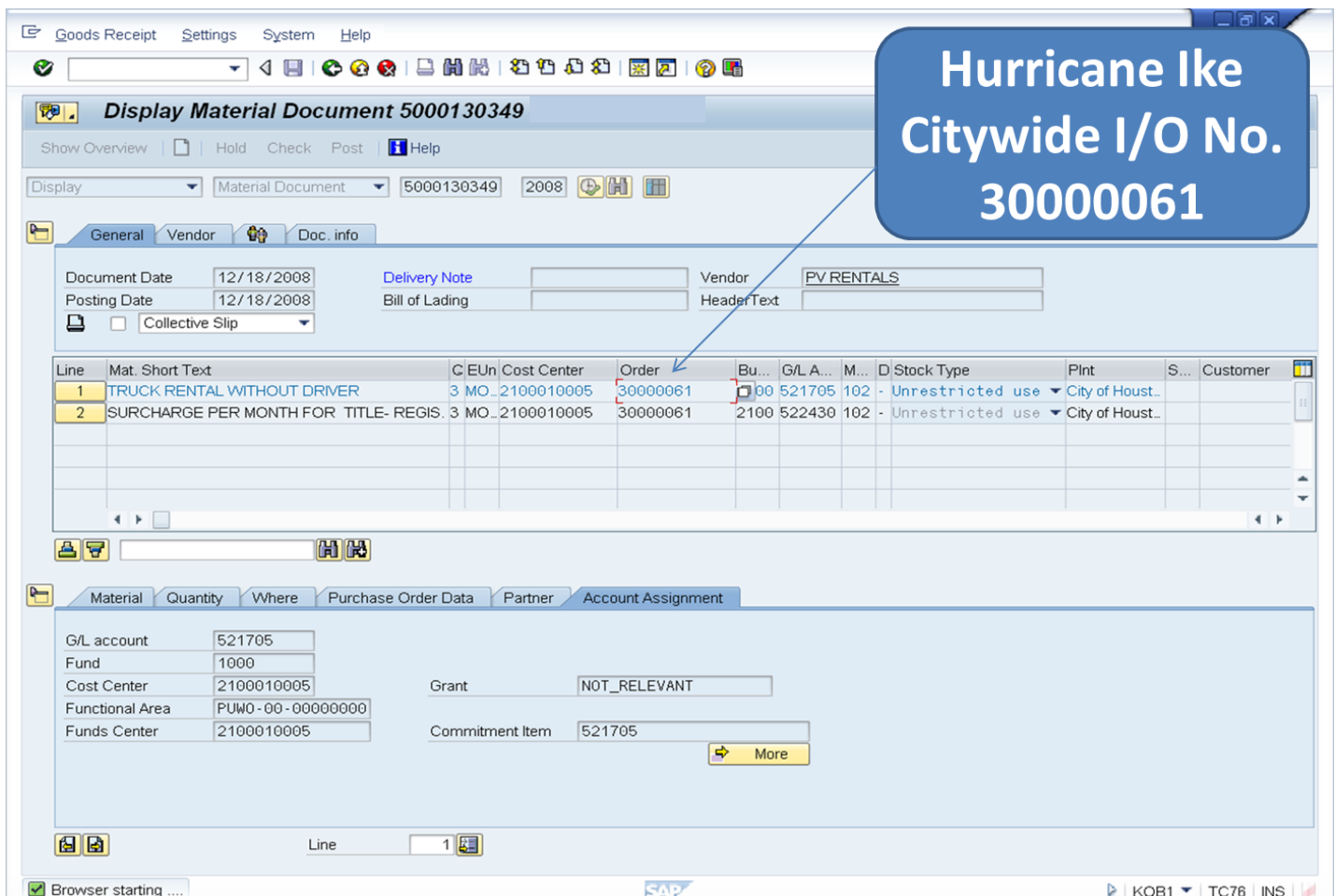
Prohibited use of the ECA are:

- Cashing personal checks.
- Loans to employees or others.
- Payroll advances to employees.
- Entertainment of any kind.
- Personal expenditures (i.e. office decorations).
- Other inappropriate purposes established by the Approving Authority.
- Making change for transactions involving cash sales or where cash is received.
- Reimbursements of state sales tax for any purchase.

An ECA may not be deactivated until the Mayor rescinds the state of emergency. Once rescinded, all ECAs must be deactivated within 30 days with Finance Department approval. If extenuating circumstances present a reason requiring continued ECA spending, extensions to the 30 day closeout may be granted by the Finance Director with written justification.

Internal Order

An internal order (I/O) number is established by Finance Grants Management prior to the onset of the disaster and distributed to all departments. The I/O number is specific for each disaster event and used to identify all SAP transactions (revenues and expenditures) resulting from this event. Disaster related expense transactions are entered into SAP and coded to the applicable Internal Order number, fund, business area, grant and cost center, as assigned. **NOTE: Expenses charged to disaster internal order number should be limited to approved reimbursable expenses or projects.**



Hurricane Ike Citywide I/O No. 30000061

Display Material Document 5000130349

General Vendor Doc. info

Document Date 12/18/2008 Posting Date 12/18/2008 Vendor PV RENTALS

Line	Mat. Short Text	C/EO	Un Cost Center	Order	Bu...	G/L A...	M...	D Stock Type	Plant	S...	Customer
1	TRUCK RENTAL WITHOUT DRIVER	3	MO_2100010005	30000061	100	521705	102	- Unrestricted use	City of Houst...		
2	SURCHARGE PER MONTH FOR TITLE- REGIS.	3	MO_2100010005	30000061	2100	522430	102	- Unrestricted use	City of Houst...		

Material Quantity Where Purchase Order Data Partner Account Assignment

G/L account 521705 Fund 1000 Cost Center 2100010005 Functional Area PUWO-00-00000000 Funds Center 2100010005 Grant NOT_RELEVANT Commitment Item 521705

Line 1

In addition, ALL supporting documentation related to the transactions such as work orders, receipts and invoices, should be maintained by departmental contacts for future audits and inquiry. Copies should also be provided to the Finance department and OEM as requested.

NOTE: Supporting documentation for projects is to be maintained at least 3 years after the date that the FINAL STATUS REPORT issued by TDEM and received by DRG for the disaster as a whole.

WHEN IN DOUBT, DON'T THROW IT OUT!





Emergency Payroll

The Payroll Services Division has two central missions during a disaster event: (1) ensure that all City employees **continue to receive their proper remuneration** during or after a disaster event; and (2) ensure all employee time spent preparing for, responding to and recovering from a disaster event is **properly recorded in Kronos timekeeping system and SAP** in order to maximize any reimbursement to which the City may be entitled to from the Federal and State governments. These missions are reinforced by procedures to

ensure that employees are paid during and after a disaster.

In order for the City of Houston to maximize its cost recovery, all disaster-related time must be recorded in Kronos and supporting documentation must be prepared and maintained by the individual department. Kronos is an automated and paperless time and attendance system. Kronos has the capability to annotate time that was worked in relation to a disaster by use of special pay codes and internal order numbers. Special instructions regarding the use of special pay codes and internal order numbers will be disseminated prior to, during or immediately after the disaster period.

In the event communications are lost between Kronos time clocks and the Kronos server, as long as they are powered, the time clocks will store all time stamps and will transmit the stored information once communications are reestablished. Employees and supervisors should take extra care in reviewing electronic time cards to ensure time stamp data was accurately recorded during the disaster event and make any needed corrections.



It is not enough for City employees to clock in and out of Kronos for time worked preparing for, responding to and recovering from a disaster. In order to fulfill Federal and State requirements, departments must also maintain detailed log of hours worked for all employees performing disaster-related duties. The hours logged submitted for reimbursement on timesheets must coincide with the hours reported on the Kronos electronic time card.

Payroll Scenarios

There are **three scenarios** that may affect the procedures for processing and capturing payroll costs. They are:

1. **City Network and Internet are functional.** Kronos is available as normal and the SAP payroll module is available to Payroll Services Division staff:
 - a. Payroll Services Division will coordinate with the HITS Department to expand the use of the TeleTime remote time card service and or Kronos Mobile App access as necessary.
 - b. Payroll Services Division will disseminate any special payroll processing instructions such as the use of special pay codes and/or internal order numbers or paper timesheets.
 - c. All supervisors are required to review and approve staff time cards as normal and appropriate.
2. **SAP is only available to payroll personnel.** Kronos is unavailable to City employees to record time stamps, request/approve time-off requests and review/approve time cards, the Payroll Services Division will ensure;
 - a. Exempt employees (salaried) and Non-exempt employees (hourly) will be paid according to their normal bi-weekly work schedule.
 - b. Temporary employees will be paid an average number of hours from the previous three pay periods. All temporary employees working through a staffing agency are required to submit their approved time cards to their staffing agency and will not be issued a check from COH.

3. No systems are available.

- a. With the Mayor's approval, Payroll Services will authorize a repeat of the previous payroll period's banking instructions to the City's banking services provider.
- b. Payroll Services Division will disseminate special instructions such as paper timesheets to document for reconciliations post event.



Damage Documentation

When a disaster hits, the primary responsibilities for Departments are to: 1) maintain documentation on the preliminary damage for all property within 3 days of the disaster; 2) assign representatives to report damage; 3) provide updates on damage assessments; 4) monitor repairs; and 5) maintain ALL documentation. Other departmental responsibilities include assisting the Disaster Recovery Group (DRG), Federal and State adjusters by completing and maintaining records to identify costs for eligible work, recording disaster expenses separate from day-to-day operations and certifying that all information submitted in response to requests are true and correct. (See Appendix 1, AP 4-2, Section 6.8 for a complete listing of responsibilities).

During the initial response, assessments play a vital role in determining the scope of the disaster and necessary resources for recovery. The three most common initial assessments are:

Rapid Assessment is normally limited to evaluating the following humanitarian and emergency needs and activities:



- ◆ Life safety (e.g., search and rescue, medical assistance, mass care, hazardous materials)
- ◆ Life lines (e.g., utilities and transportation systems)
- ◆ Essential services (e.g., medical, emergency communication and logistics)

Preliminary Damage Assessment is conducted to determine the extent of damage to the community as soon as humanitarian and emergency needs have been identified and access into the area is safe.

Detailed Site Assessment includes detailed analysis of the damages to all private sector and public infrastructures. It may take several days or even weeks to complete.

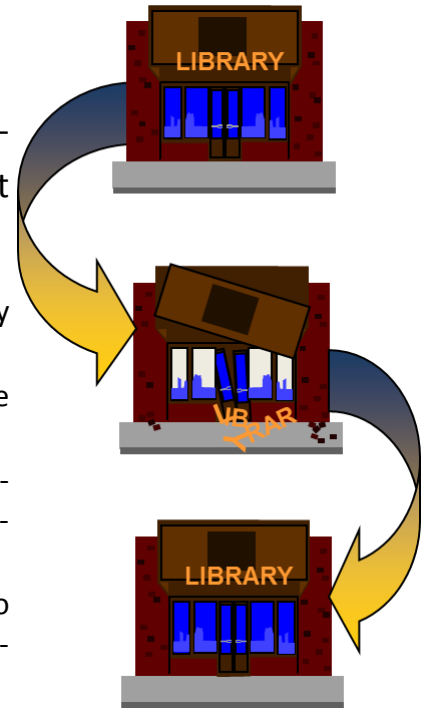
Good documentation facilitates the project formulation, validation, approval and funding processes

Damage sustained as a direct result of the disaster event should be differentiated from pre-existing or non-disaster related damage. The City has 60 days to identify and report damages. The specific cause of damage must relate to the incident for which the disaster was declared.

Location, Damage Description and Dimensions

It is important to completely describe the cause of damage because it can affect eligibility determinations. The damage must be described in terms of:

- ◆ Facility information — the type and function of the damaged facility and its condition prior to the disaster is identified.
- ◆ Work complete as of — the date work was assessed and percentage completed.
- ◆ Location — facility's address or detailed directions, with exact mileage, to pinpoint a specific area. Include latitude and longitude coordinates, if available.
- ◆ Damage description and dimensions — quantitative terms used to describe damage to the facility, its features and the items that require repair.



Scope of Work

The scope of eligible work necessary to repair the damage must be completely described and correspond directly to the cause of damage. It is the basis for the cost estimate and should establish:

- ◆ Direct connections between the cause of the damage and the repair.
- ◆ Costs description.

If part of the work is completed prior to project approval, the work that has been completed should be tracked and reported separately from the work remaining to be done.

Cost Estimate

Funding may be approved on the basis of actual costs, estimates based on work to be completed or a combination of both. The three primary methods for determining costs are time and materials, unit cost, and job completion contracts. These methods are covered in more detail on page 13. The cost estimate provides the detailed line item budget for the proposed activity. If more than one activity is proposed, then the cost estimate is broken out by the activities identified.

NOTE: Special considerations are issues other than Public Assistance (PA) program eligibility that could affect the scope of work or funding for a project. Special Considerations issues are addressed before Federal PA grant funds will be obligated.

Summary of Funding

Individual municipalities are to determine what damage may be covered by their insurance policies and what damage may qualify for assistance from FEMA or other government programs.

- Municipal Insurance
- State Assistance
- Federal Assistance
- National Voluntary Organizations Active in Disaster (www.NVOAD.org)
 - ⇒ Faith and community based organizations.
 - ⇒ Private sector.
 - ⇒ Educational institutions and organizations (fraternities/sororities).
 - ⇒ Regular service providers (meals-on-wheels, special needs transport, etc).

Insurance

Municipal insurance providers cover losses experienced by public entities. Services include management of all insurance policies, consulting and recommendations for contracts and post disaster recovery insurance claims.

Budget Stabilization Fund (formerly Rainy Day Fund)

The COH Budget Stabilization Fund establishes cash reserves available for any lawful use in the event of an emergency including major disasters.

State Assistance

Disaster grant funds from the Governor are typically available only after appropriated funds to local agencies for disasters are depleted. The Governor has the authority to consider approval of disaster grants for agencies with insufficient funds to operate or meet unanticipated situations.

The Urgent Needs Fund is by invitation only. Funds can only be utilized for activities that will restore water or sewer infrastructure whose sudden failure has resulted in either death, illness, injury or poses an imminent threat to life or health within the affected applicant's jurisdiction and the problem being addressed must be of recent origin (no more than 30 days from the date of the event).



Texas Division of Emergency Management

TDEM is accountable for the use of pass-through funds provided by FEMA and is responsible for disbursing those funds to the City. TDEM is also responsible for providing: 1) technical advice and assistance; 2) ensuring that the City is aware of the available assistance programs; 3) providing support for damage assessment operations; 4) supporting project identification activities including large and small project identification and validation of small projects; and 5) submitting the necessary paperwork for grant awards.

Texas Department of Transportation

TXDOT is accountable for the use of pass-through funds provided by the Federal Highway Administration and assuring compliance to project regulations. TXDOT is also responsible for: 1) identifying federal-aid highways; 2) requesting Emergency Relief (ER) funding; 3) participating on detailed damage teams; 4) coordinating locally administered projects; and 5) providing technical advice and assistance.

Federal

Federal disaster funding programs are available from the FEMA, FHWA, Environmental Protection Agency (EPA), and US Department of Housing and Urban Development (HUD).

Each federal funding program will cover different uses, including planning, construction, operations and maintenance. The following table highlights applicability under the government programs listed below.

Program	Emergency Repairs (M, R) ¹	Planning and Design (M)	Construction/ Capitalization (M, R)	Technical Assistance ²
FHWA	x	x	x	
FEMA Public Assistance	x	x	x	
FEMA Hazard Mitigation Grant Program		x		x
EPA Drinking Water State Revolving Fund	x	x	x	x
EPA Clean Water State Revolving Fund	x	x	x	
HUD Community Develop Block Grant	x		x	
HUD Section 108 Loan Program			x	

¹M = Activity is related to Mitigation; R = Activity is related to Response/Recovery

²Technical Assistance = May include activities undertaken to help utilities recover from disasters

Insurance

The Insurance Management group is responsible for working with departments to identify and document damages that may be eligible for insurance recovery. The group also coordinates and negotiates settlements for all insurance claims related to the disaster. Additionally, the group serves as a liaison to the City insurance representatives. **Departments must allocate and account for insurance proceeds at the level of individual project worksheets.**



Total Insured Value - \$10.9B for over 2600 Locations

High Maximum Property Policy Deductible - \$20M

Policy Loss Limit - \$175M

*as of June 2014

Insurance Claim Process

Immediately following an event, first responders (fire, police, public works, etc.) are normally required to provide an initial “snapshot” of the geographic area affected. As emergency calls come in and the response phase begins, the general location and the severity of damage becomes known.

Damage Estimates of
Owned Property
(Buildings, Contents, etc.)



Immediate Notice of
Damages – Three Days



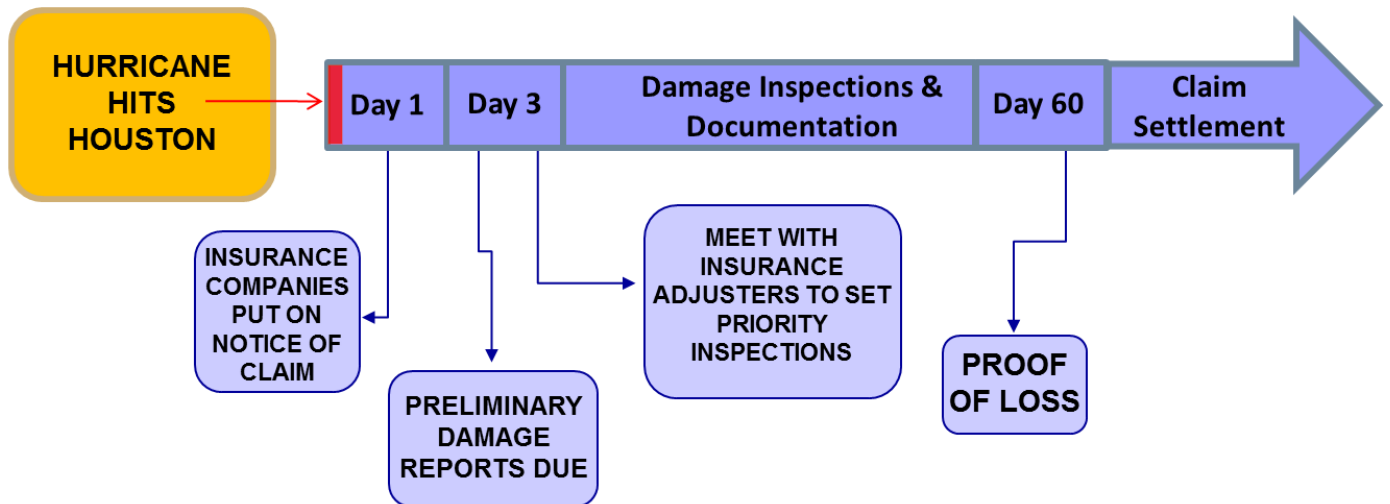
Disaster Data Collection
Team (DDCT)
– ARA/OEM/FIN



Department Designated
Representatives



Insurance Claim Timeline



The schedule of insured property is used to identify insured properties to assist in completing the City's Preliminary Property Damage form (Appendix 1).

City of Houston Schedule of Insured Property, Solid Waste Management Policy Term 4/1/2014 to 4/1/2015

Ins. Key No.	Location / Description	Address	Zip Code	2014-15 Building Value	2014-15 Content Value
6094	Central Street Neighborhood Depository	2240 Central St.	77017	250,000	2,000
9784	Department Headquarters	611 Walker St., 12th Flr.	77002	0	617,371
9787	Kelley Fuel Island (FMD)	5614 A Neches St.	77026	265,891	30,000
9788	Kelley Wash Bays	5614 A Neches St.	77026	290,555	100,000
9789	Kirkpatrick Neighborhood Depository	5565 Kirkpatrick St.	77028	31,620	0
9791	NE Collections (former Kelly Ofc.)	5614 Neches St.	77026	2,148,482	62,780
9785	NE Environmental Service Center	1352 Post Oak Rd.	77045	424,530	150,000
9792	NE Light Vehicle Maint Shop (FMD)	5703 Eastex Fwy.	77057	406,392	22,320
1222	NE North Trailer	5703 Eastex Fwy.	77057	27,027	20,000
9793	NE Paint/Welding Shop (FMD)	5617 Neches St.	77026	1,569,298	67,647
9794	NE PM/Parts (FMD)	5617 Neches St.	77026	1,826,387	78,845
9795	NE Service Center/SVC/Maint/Welding	5617 Neches St.	77026	7,642,992	116,718
1223	NE South Trailer	5703 Eastex Fwy.	77057	21,621	5,000
9807	NE Surplus Warehouse/Facilities	5711 Eastex Fwy.	77093	1,592,572	120,000
1444	North Main Recycling Center (New Admin. Bldg.)	9003 N. Main St.	77018	1,144,608	250,000
1360	North Main Recycling Center, Depository and Guard Shack	9003 N. Main St.	77018	740,518	0

City Preliminary Property Damage Form

Event/Incident: ☐ Fire ☐ Flood ☐ Wind ☐ Other _____

Department: _____ Division: _____

Date of Loss: _____ Estimated Time of Loss: _____

Location of Damage* (Name of Building/Structure): _____

Address of Building/Structure*: _____

Insurance Key No.*: _____ (* Obtain information from the City Schedule of Insured Property in Office of Emergency Management's Disaster Recovery Manual (DARM).)

Description of Damaged Building/Structure (examples: actual building, permanently installed fixtures, machinery, outdoor fixtures, fire extinguishing equipment, floor coverings, appliances):

Estimated Loss \$ _____ Description _____

Description of Damaged Contents (examples: furniture, computers, and supplies):

Estimated Loss \$ _____ Description _____

Building/Content Contact Person: _____ Telephone: _____

(Contact person for scheduling inspections of damaged buildings/contents.)

Note: Please prepare one information sheet per location, per department; please do not add multiple locations or departments on one information sheet. *This form needs to be completed and returned to the Disaster Data Collection Team (Office of Emergency Management) within three calendar days of damage.*

Description of Damaged Vehicles (if needed, attach a schedule of damaged vehicles):

5-Digit Shop #	Make	Model	Year	Description	Amount of Loss
_____	_____	_____	_____	_____	\$ _____
_____	_____	_____	_____	_____	\$ _____
_____	_____	_____	_____	_____	\$ _____

Vehicle Contact Person: _____ Telephone: _____

Were photos of damage taken? _____ What is the photo format? _____

Person Completing Form: _____ Title: _____

Signature: _____ Date Signed: _____

Claim Settlement

How Much and Where Does it go?

- ⇒ Actual Expenses vs. Negotiated Settlement
- ⇒ Claim Payment After Application of Deductible
- ⇒ Insurance Recovery Deposited into Disaster Recovery Fund and managed by Finance Department



What is REQUIRED?

1. **Identification of Damages –**
Schedule of Insured Property
2. **Include Location of Damages, Address and Insurance Key Number**
3. **Damage Estimates**
 - Buildings
 - Permanently Installed Fixtures & Machinery
 - Contents (All Departments)
 - Furniture, Fixtures, Supplies & Computers
4. **Damage Documentation –**
Emergency Repairs & Permanent Repairs
 - Photograph Damages Upon Discovery
5. **Damage Inspections**
 - Multiple Inspections for Multiple Purposes
6. **Description of Damaged Vehicles**
 - Designate a Vehicle Contact Person

Why should it be a priority?

- Time Sensitive – Preliminary Report Due in Three Days
- Initial Insurance Claim
- Request for State and/or Federal Disaster Assistance – Filing Deadlines
- Mobilization of Resources

Duplication of Benefits

Following a disaster, COH often looks for assistance from the general public, private institutions, and Federal and State agencies to help rebuild their infrastructure. The assistance comes in the form of donations, insurance proceeds and volunteer work. With multiple entities providing assistance, it is possible for different sources to allocate funds to repair the same project. This action, of allotting funds to the same project, may constitute a duplication of benefits.

Section 312(a) of the Stafford Act, as amended, states that no entity will receive assistance for any loss for which financial assistance has already been received from any other program, insurance or any other source. The use of Federal and/or State funds granted for the same purpose clearly constitutes a duplication of benefits. Grant or cash donations provided by a third party also may constitute a duplication of benefits.



Disaster assistance will not be provided for damages covered by insurance. When FEMA provides assistance it is intended to supplement assistance from other sources. Insurance proceeds should be the applicant's first alternative for disaster assistance.

It is the responsibility of COH departments to properly account and certify for all Federal funds allocated to a project for which a Project Worksheet is written.

The Duplication of Benefits form is required for all large and small projects. This form is the City's acknowledgement that the only funding received and applied to the scope of work costs on a specific Project Worksheet was from FEMA (e.g. no donations or insurance proceeds duplicated the costs reimbursed by FEMA).

The chart below identifies some category of items that constitute non-Federal assistance that City departments must account for on the Duplication of Benefits form. The items in the chart are NOT an exhaustive list.

PW #	Insurance Claims Received:	Anticipated Insurance Proceeds:	Grant Funds Received:	Contractor Credits or Refunds:	Disposition of Equipment:	Salvageable Materials:	Other Funds Received:	PW Total Non-FEMA Funds Received:

Public Assistance

Public Assistance is aid to State or local governments to pay part of the costs of rebuilding a community's damaged infrastructure. Public Assistance may include debris removal, emergency protective measures and public services, repair of damaged public property, loans needed by communities for essential government functions and grants for public schools. The two most commonly used Federal public assistance program agencies are Federal Highway Administration and Federal Emergency Management Agency.



FHWA administers the Emergency Relief (ER) Program to assist State and local governments with the repair of Federal aid roads and bridges damaged during disasters. The applicability of the ER program to a natural disaster is based on the extent and intensity of the disaster. Damage to highways must be severe, occur over a wide area and result in unusually high expenses to the highway agency. This program supplements the commitment of resources by States, their political subdivisions, or other Federal agencies to help pay for unusually heavy expenses resulting from extraordinary conditions.

Eligibility

Federal-aid highways are public roads that are classified as arterial, urban collectors and major rural collectors. To identify eligible Federal-aid roadways, the [Guidance for the Functional Classification of Highways](#) web link is listed on References page. There are two categories of emergency relief. Emergency repairs are repairs undertaken during or immediately after a disaster to restore essential traffic, to minimize the extent of damage or to protect the remaining facilities. Permanent repairs are those repairs undertaken after the occurrence of a disaster to restore the highway to its pre-disaster condition. Funds are primarily used for permanent work and are granted on the basis of inspections performed by FHWA and State highway personnel.

As a general rule, the estimated cost for repairs must require at least \$700,000 for Federal road and bridge damage and \$5,000 for each damage site (emergency and permanent repairs) in ER funding before the FHWA will consider approving the disaster or catastrophic failure as eligible for funding under the ER program.

Project Management

Approved ER funds are available at the pro-rata share that would normally apply to the damaged Federal-aid facility. For most projects, the recipient of ER assistance is TxDOT. Projects are initiated by the signing of a contract between TxDOT and COH defining roles and responsibilities of each party. Funding is issued as a reimbursement program. Local governments work with TxDOT district staff to identify and prioritize funding for projects. After prioritizing needs in the context of available funding, the district staff updates and coordinates these plans. After the project is complete, the TxDOT and DRG will coordinate to perform a close-out accounting for project funds.

TxDOT requires the following project support documents to be completed by COH:

- ◆ Detailed damage inspection report
- ◆ Damage survey summary report
- ◆ ER program of projects
- ◆ Maps of damaged areas
- ◆ Before and after photos



Through the public assistance (PA) program, FEMA provides supplemental Federal disaster grant assistance for debris removal, emergency protective measures, the repair, replacement, or restoration of disaster-damaged, publicly owned facilities. Such assistance may take the form of equipment, supplies, personnel, or other available capabilities. FEMA is responsible for managing the program, approving grants and providing technical assistance to the State and the City of Houston.

The State, in most cases, acts as the Grantee for the PA program. The State educates potential applicants, works with FEMA to manage the program, and is responsible for implementing and monitoring the grants awarded under the program. PA reimbursements provide funding on a percentage basis to eligible applicants who have suffered damages as a result of a Presidentially declared disaster and whose damages are within a county authorized for PA. After a declaration, FEMA designates the area eligible for federal assistance, and the types of assistance available. Implementation of the PA Program is managed by FEMA in partnership with the State.

Eligibility Thresholds

FEMA and the State require that the applicant, facility, work and costs are eligible and meet applicable criteria. The order in which eligibility is evaluated starts with applicant eligibility and ends with the eligibility of cost.

All four basic components for the Public Assistance Program must meet eligibility:

- 1) The applicant must be eligible to receive assistance.
- 2) The applicant's facility must be eligible.
- 3) The work must be designated as eligible.
- 4) The cost of performing the approved work must be eligible for reimbursement.



Categories of Work

Eligible work is identified as Emergency Work and Permanent Work:

- **Emergency Work** is an activity done immediately after a disaster to save lives, protect and preserve property, public health and safety and to provide essential public services. The two "Emergency" work categories are identified as categories "A" and "B" and require a six month time limit to complete work.
 - **Category A:** Debris Removal
 - **Category B:** Emergency Protective Measures
- **Permanent Work** is work required to restore a damaged facility to its pre-disaster condition. The five "Permanent" work categories are identified as categories "C" through "G". There is an 18 month time limit to complete permanent work. However, the State may grant extensions in 6 month intervals up to 30 additional months. If the project exceeds 48 months additional time extension must be approved by FEMA through the State.
 - **Category C:** Roads and Bridges
 - **Category D:** Water Control Facilities
 - **Category E:** Buildings and Equipment
 - **Category F:** Utilities
 - **Category G:** Parks, Recreational, and Other Facilities

The State has limited authority to grant time extensions, if requested.

Type of Projects

FEMA reimbursement projects are categorized into large or small projects according to the amount threshold for that year. If the estimated cost of a project is equal to or exceeds this threshold, the project is classified as a large project. During the recovery process on a specific disaster, the small/large dollar threshold remains the same amount as existed during the year the disaster first occurred.



As a result of the Sandy Recovery Improvement Act of 2013, FEMA raised the threshold to \$120,000 from \$68,500 for large projects. This threshold is effective for new declarations on or after February 26, 2014. Additionally, in order for a FEMA Project Worksheet to be created, the estimated project cost must meet the minimum threshold of \$3,000.

Small Project (Under \$120,000)— The Federal share for small projects, at any point-in-time, is the same as for large projects. However, all of the individual small project PW's are handled by FEMA as a group and have several different requirements than large projects. Small projects are subject to Small Project validation, in which a review of initial supporting documentation and estimates are performed.

Large Project (\$120,000 and above)— A large project is any project which has a cost estimate greater than the threshold for small projects. Reimbursement occurs throughout the repair period or after project completion and is based on actual expenses or costs actually incurred.

Improved Project— Projects in which the applicant makes additional improvements while still restoring the facility to its pre-disaster function, such as replacing a fire station that originally had two bays with three bays. The Applicant must request approval from FEMA and TDEM to make the improvements **PRIOR** to construction. Project reimbursement is usually capped at approved Federal Share.

Alternate Project— Occurs when the service provided by a facility is no longer needed or useful, although the facility was in use at the time of the disaster. Examples of alternative projects include the repair or expansion of other facilities, demolition of original structure, or the construction of a new facility. Only permanent work projects (category C– G on page 29) are eligible. Funding is limited to the Federal Share or the actual costs of performing the alternate project, whichever is less (see Reference page). The State is notified to approve the project **PRIOR** to commencement of work.

Project Worksheet (PW) is the primary form (see Appendix 2) used to document and request FEMA reimbursement on each project. City departments are required to maintain a **COMPLETE** and **ACCURATE** set of records for each eligible project in accordance with the City's Administrative Procedure AP 4-2 (see Appendix 1). Support provided should clearly identify the project by PW number and include a summary schedule of costs identified for the project based on the following criteria:

1. **Reasonable** and **Necessary** to accomplish the work.
2. **Compliant** with Federal, State and local requirements for competitive procurement.
3. **Reduced by all applicable credits**, such as insurance proceeds, salvage value, and other funding sources.



Supporting documents such as work orders, receipts, and invoices are provided by departments to the Disaster Recovery Group (DRG) throughout the duration of the project.

ELEMENTS OF A PROJECT WORKSHEET
1. Project Worksheet Cover – FEMA Form 90-91
2. Damage Description and Scope of Work Continuation Sheet – FEMA Form 90-91A
3. Project Worksheet – Cost Estimating Continuation Sheet – FEMA Form – 90-91B
4. Special Considerations Questions – FEMA Form 90-120 (as applicable)
5. Hazard Mitigation Proposal – FEMA Form 90-61 (as applicable)
6. Force Account Labor Summary Record – FEMA Form 90-123
7. Applicant's Benefits Calculation Worksheet – FEMA Form 90-128
8. Force Account Equipment Summary Record – FEMA Form 90-127
9. Rented Equipment Summary Record – FEMA Form 90-125
10. Materials Summary Record – FEMA Form 90-124
11. Contract Work Summary Record – FEMA Form 90-126
12. Contract Documentation
13. Insurance Information
14. Project Worksheet Maps and Sketches Sheet – FEMA Form 90-91C
15. Project Worksheet Photo Sheet – FEMA Form 90-91D
16. Other Documentation
17. Do Not Copy/Scan Sheet
18. Materials Back up Documentation

PW Supporting Documentation

Force Account Labor is a term used to identify labor provided by the City's employees rather than by a contractor. Labor rates include actual wages plus fringe benefits paid or credited to personnel. The description of the work performed on the FEMA – Disaster Related Work forms must be **very specific. Eligibility payroll costs includes regular time, overtime, compensatory time and fringe benefits (see Appendix 3).**

Required **labor** supporting documents are:

- ♦ FEMA Form 90-123 Force Account Labor Summary Record (see Appendix 2);
- ♦ Signed employee time sheets (electronic and manual) from Kronos and SAP, when applicable, with specific hours dedicated to PWs;
- ♦ Signed and approved overtime approval forms;
- ♦ Proof of payment payroll documents; and
- ♦ Record regular and overtime hours separately.

Required **benefits** supporting documents are:

- ♦ FEMA Form 90-128 Applicant's Benefit Calculation Worksheet (see Appendix 2);
- ♦ Record the benefits separately for regular and overtime hours;
- ♦ HR employee verification list;
- ♦ HR payroll list; and
- ♦ Overtime, compensatory time, exempt time, payroll policy prior to disaster.

Direct Administrative Costs (DAC) are costs for time and materials (administrative activities) used in support of a specific PW. See Eligibility Chart on page 69 for Public Assistance Program Indirect and Direct administrative activity list for a detailed description and eligible DAC.

Direct Administrative Cost (DAC) Summary

PW # or Temp #	Name	Title	Date of Work*	Time Start*	Time Stop*	Hours	Work Description
8776	John Doe	Financial Analyst	6/2/2014	02:15 PM	3:05 PM	0:50	Attendance in the audit findings meeting with State auditors
12356	John Doe	Financial Analyst	6/4/2014	10:05 AM	11:05 AM	1:00	Emailing project managers regarding data collection for PW development

*Accuracy of date as well as time start and time stop is critical.

Force Account Materials is a term used to identify equipment, materials and supplies owned by COH prior to the disaster or purchased as a result of the disaster. **Eligible material costs include materials and supplies taken from existing stock or purchased for the disaster project.**

Required supporting documents are:

- ◆ FEMA Form 90-124 (see Appendix 2);
- ◆ Procurement policy;
- ◆ List of materials used;
- ◆ Purchase orders, invoices, and proof of payment for purchases; and
- ◆ Proof of cost on-hand/in warehouse materials used.

Force Account Equipment is equipment owned by the City used to perform eligible work related to the disaster. Equipment rates are applied only to the time equipment is actually working. However, If equipment is used intermittently for more than half the normal scheduled working day, the entire day may be claimed. **For vehicles, both the hours of use and miles driven must be recorded.**

Required **equipment usage** supporting documents are:

- ◆ FEMA Form 90-127 Force Account Equipment Summary (see Appendix 2);
- ◆ Proof of equipment ownership;
- ◆ Copy of inventory at the time of disaster;
- ◆ Equipment rate source documents;
- ◆ Signed equipment use logs with operator name; and
- ◆ Operator “force account labor” support documents.

Approved **rental/lease equipment** supporting documents are:

- ◆ FEMA Form 90-125 Rented Equipment Summary Record (see Appendix 2);
- ◆ Rental/Lease Procurement policy;
- ◆ Justification of need;
- ◆ Rental/Lease agreement;
- ◆ Use logs as applicable;
- ◆ Invoices and purchase orders;
- ◆ Proof of payment; and
- ◆ Detailed use logs that identify:
 - ◇ Date & times used;
 - ◇ Name of user;
 - ◇ Miles driven (if applicable);
 - ◇ Description of work performed; and
 - ◇ Duplication of benefits and compliance certification.



Contract Work is work specified for a short period of time under a written agreement to perform services. In general, contracting for emergency work requires competitive bidding. Whether utilizing competitive or non-competitive procurement procedures, all costs must be determined reasonable by FEMA to be eligible for reimbursement.



Required supporting documents for **contracts** are:

- ◆ FEMA Form 90-126 Contract Work Summary (see Appendix 2);
- ◆ Approved Contractor/Vendor Contract;
- ◆ Contractor/Vendor Procurement Documentation:
 - ◇ Publically advertised requests for bids
 - ◇ Copies of all received proposals
 - ◇ Contractor selection/rejection criteria
 - ◇ Cost Price Analysis
- ◆ Notice of Award;
- ◆ Notice to Proceed/Work Orders:
 - ◇ Signed copies of multiple Work Orders, if more than one
- ◆ Contractor Proof of Insurance;
- ◆ Contractor Debarment Check on SAM.gov;
- ◆ Subcontractors:
 - ◇ Contracts
 - ◇ Invoices
 - ◇ Proof of Applicant (City) and Contractor contract monitoring and other Federal requirements
 - ◇ Debarment Check with appropriate date checked at time of review on SAM.gov
- ◆ Contractor Invoices, timesheets and other pertinent details of work completed;
- ◆ Proof of Payment:
 - ◇ Check or Proof of Bank Transfer
- ◆ Proof of applicant (City) contract monitoring of Contractor/Vendor;



In order to be reimbursed for work performed under a contract that was **not competitively bid**, the procurement of that work also must **NOT** have been feasible under small purchase procedures, sealed bids, or competitive proposals.

Other pertinent supporting documentation includes:

- ◆ Providing copies of specific codes and standards, especially if proposed repairs or replacements exceed the pre-disaster design.
- ◆ Listing evidence of pre-disaster damage, such as cracks on a steel bridge covered by rust and corrosion.
- ◆ Providing pre-disaster inspection reports with noted deficiencies.
- ◆ Identifying ineligible work or maintenance, inactive facilities, responsibilities of other federal agencies, etc.
- ◆ Referencing a Hazard Mitigation Proposal, if included in the project.
- ◆ Indicating that the project is an Improved Project, if applicable. An Improved Project makes additional improvements while still restoring the facility to its pre-disaster function and capacity. Description of the overall project is required.
- ◆ Identifying any special equipment or construction approach, such as heavy trucks, access roads, staging areas, coffer dams, etc.
- ◆ Describing the larger action, if the project is part of a larger one, (e.g., one building within a complex).

Reporting

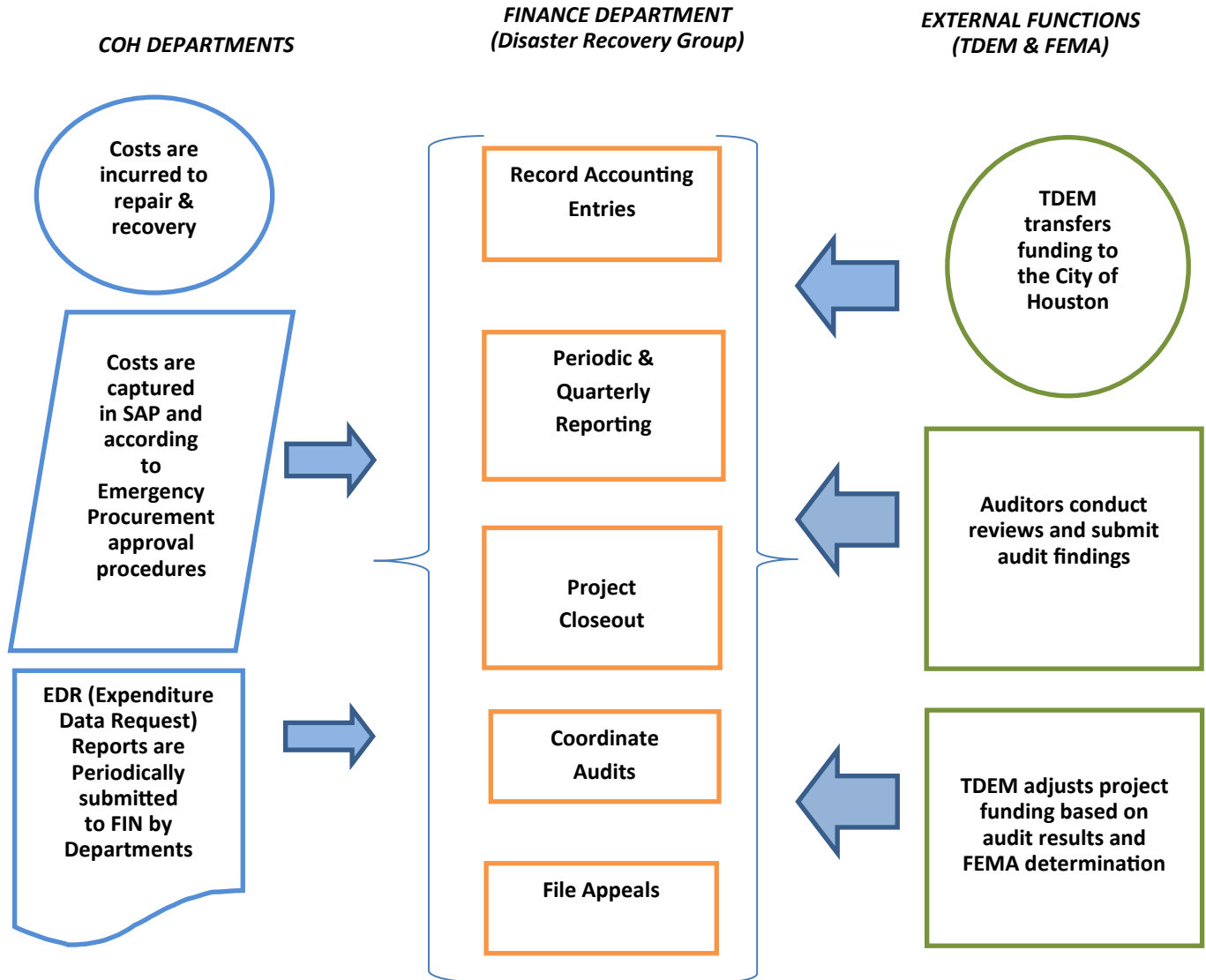
The City utilizes both internal and external reporting to communicate the project status. DRG coordinates project status reports to ensure projects are staying on schedule, within guidelines and decrease the opportunities for potential issues. Progress reports are critical to ensuring that FEMA and the State have up-to-date information on PA program grants.

Hurricane Ike Aid & Recovery																
EDR/ Expenditure Data Request																
Inception thru Dec 31, 2013																
Dept: Parks & Rec																
						FEMA Cash Receipts		FEMA PW Information			2013					
						Date Deposited	Amount Deposited to Date	Federal Share %	Federal Share Amount	Total PW Amount	% of Completion at 12/31/13	Cost Incurred Paid & Unpaid by 12/31/13				
Description						EMMIE PW#	PW Ref#	PW Type	Date Obligated							
COLUMN ----->>						A	B	E	F	G	H	I	J	K	L	M
Hermann Park Debris Removal						8550-0	PR148	E	09/30/13	11/20/13	200,000.00	90.00	180,000.00	200,000.00	100	221,062.67

Departments verify supporting documentation to transactions entered in SAP. Costs by project are reported by each department to DRG. Reports should be in the Expenditure Data Request (EDR) format shown above including percentage of completion and cumulative costs incurred per project. Total EDR costs reported should be reconciled to SAP with any discrepancies or cost overruns identified for further research and approval.

Funds Management

Eligible costs are typically reimbursed by FEMA based on percentages which determines the Federal share. The remaining portion or percentage is paid by the City of Houston.



DRG facilitates funds management between external funders and internal City departments. DRG serves as a liaison for audits, project closeouts and assists the departments with accounting entries and reporting. This ongoing process requires effective coordination with departmental contacts for cost reporting, as well as communicating with external parties like FEMA and FHWA for reimbursement related issues.



Project Closeout

Quarterly reports are required to be submitted to TDEM for all projects that have not received final payment. The reports explain the progress that has been made on the various projects. The reports are due the first full quarter after the closure of the joint field office. The following dates are deadlines for submitting reports to TDEM:

March 31st

June 30th

September 30th

December 31st

Quarterly reports includes:

- Status of the project, such as percentage of construction completed;
- Time extensions granted, if any;
- Projected completion date;
- Amount of expenditures and payment for each project; and
- Problems or circumstances that could delay the project or result in noncompliance with the conditions of the FEMA approval.

Extensions

Extension requests are generated if additional time is required beyond the established timeframes. In that event, the status of both large and small outstanding projects are reported to TDEM as an extension request each six months after the disaster date.

Justification for an extension must be detailed and project specific explaining:

- Cause of the delays and why the extension is needed;
- How similar delays will be avoided in the future; and
- All projects involved with the request.

Both large and small eligible projects are to be completed within the timeframes below:

Completion Deadlines

Type of Work	Months
Debris Clearance	6
Emergency Work	6
Permanent Work	18

Project Completion Report

When all work has been performed on a project, the project is reported as 100% complete on the EDR by the department. DRG coordinates with the department to complete a claim summary form. The claim summary form (see Appendix 4) categorizes and subtotals the actual cost in comparison to the estimates included on the PW. The claim summary along with a Project Completion Report and Certification (P4) with an approval signature of the COH authorized representative is then submitted to TDEM. The submission of the claim summary and P4 serve as notification to TDEM that the project is complete and ready for audit.

The P4 form is an internal document for TDEM placed in the COH file stating:

- ⇒ All work and costs claimed are eligible;
- ⇒ All work claimed has been completed;
- ⇒ All expenses for work claimed and deemed eligible have been paid in full; and
- ⇒ No further claims for damages.

Record Keeping

Each department must maintain an accurate and secure record keeping system to provide a clear audit trail of all documentation and expenditures to be provided to the inspection team, reviewers and/or auditors. This documentation is critical for the City to receive reimbursement for eligible disaster related costs.



Specific documentation and procedures are based on the requirements of the Federal Office of Management and Budget and other Federal agencies. All of the documentation pertaining to a project should be filed with the corresponding PW and maintained by the responsible City department as the permanent record of the project. These records become the basis for verification of the accuracy of project cost estimates during validation of small projects, reconciliation of costs for large projects and audits.

Supporting documents should NOT be destroyed nor archived through Records Management division until three years after the date that the Final Status Report issued by TDEM and received by the Finance DRG. Even if a State audit has been completed on your projects, the project is still subject to further audit requests, for example by FEMA Office of Inspector General, and records should still be retained within your department.

Audits

Audits and quarterly reviews are conducted on all projects that have not received final payment. However, all approved projects are subject to random audits. These audits may be performed in conjunction with a financial statement audit, internal audit or other forms of attestation engagement. Currently, **Single Audit Act** requires an audit of grant recipients expending greater than \$500,000. However, this threshold will be increased to \$750,000 effective December 26, 2014. Even though a single audit must be performed, grant recipients also are subject to additional audits by the FEMA, Office of Inspector General and State auditors for items not covered by the Single Audit.



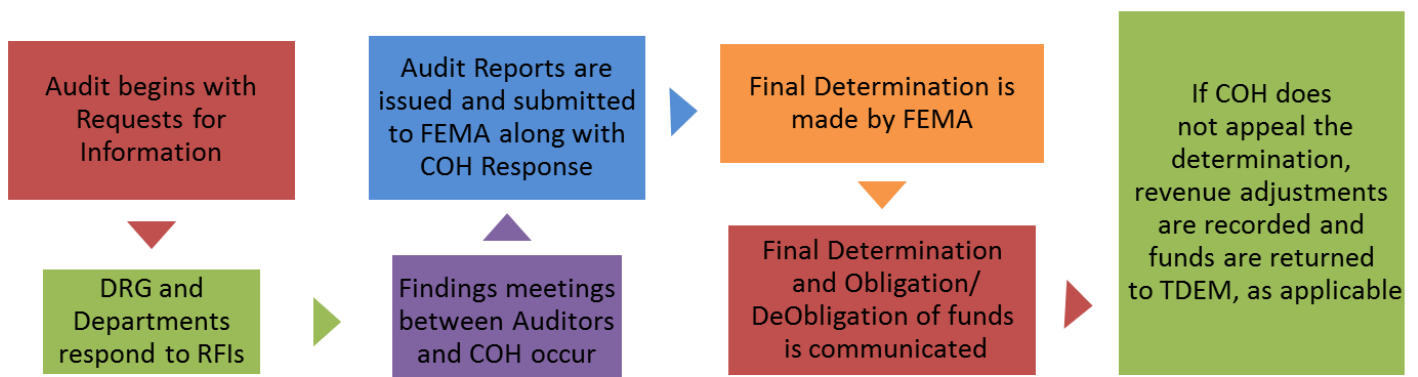
The City may be audited by all or one of the following:

- ♦ Texas Department of Emergency Management.
- ♦ Office of Inspector General.
- ♦ Federal Highway Administration.
- ♦ Internal Auditors.
- ♦ External Auditors.

Generally, audits are performed by TDEM to verify eligibility and compliance with the applicable FEMA regulations.

Audit Process Flow

When projects are submitted for closing, TDEM begins auditing projects. A listing of projects that will be opened for audit is communicated by State auditors to the City's Finance department. A Request for Information (RFI) is then provided to the DRG. The RFI lists all documents that the auditor will need to begin the audit including supporting documentation for the reported costs.



DRG identifies which requested items require input from City departments. Documentation provided to DRG should clearly identify the PW and associated costs. The responses are then compiled for review and are submitted to the auditors. **Note: Throughout the audit period, the RFI is often updated with additional items or follow-up questions that are needed to complete the audit.** Finding meetings are held between COH and auditors throughout the process.



- ✓ Save and organize email correspondence
- ✓ Organize by PW number
- ✓ Respond timely to audit request
- ✓ Get ALL correspondence on PWs in writing
- ✓ Keep scanned copies or duplicate copies
- ✓ Provide summary schedules

- ✗ Untimely response to auditors
- ✗ Delete emails or destroy documentation
- ✗ Send ineligible documentation
- ✗ Incomplete PW files
- ✗ Unresponsive to audit requests
- ✗ Assume all projects will be reimbursed

Common audit findings are:

- ⇒ Missing overtime approval forms
- ⇒ Pay rate discrepancies
- ⇒ Ineligible Invoices or Receipts
- ⇒ Duplicate Invoices or Billings
- ⇒ Overstated Invoice amounts
- ⇒ Timesheet Discrepancies
- ⇒ Missing Receipts/Documentation
- ⇒ Costs Outside Scope of Work
- ⇒ Contract/Bid Approval Deviations
- ⇒ Time & Materials Contracts

State auditors reviews the claim and submit an audit report along with a final funding recommendation to Federal agencies for review and approval. The Federal agencies review the claim and make any necessary funding adjustments. Final reimbursement is made, or in some cases, a refund of excess advances is required.

Negative audit findings may result in:

De-obligation (return) of funds by FEMA or FHWA
Adverse City fiscal year end report
General fund absorbing return of funds

Audit Findings: Case Study



Due to flooding from Tropical Storm Allison in June of 2001, the City performed debris removal operations, emergency protective measures, and search and rescue operations. Following an Office of Inspector General's (OIG) audit report, FEMA de-obligated \$2,500,302 based on the OIG's findings and recommendations related to documentation, equipment rates, labor costs, and project management costs. COH did not dispute \$2,992 of the initial OIG finding.

An initial decision letter from FEMA is not the ultimate decision. The City may appeal any decision made by FEMA, whether a project worksheet assessment or an issue such as eligibility or an extension request denial. However, an appeal has to be filed with the State within 60 days of receiving notice of the action. In turn, FEMA will have 90 days to review the appeal and render a decision or request additional information.

A *An appeal was filed by the City, requesting the re-obligation of \$2,497,310. However, this request was denied due to the City not providing sufficient documentation to evaluate the appeal resulting in a \$78,169 loss.*

P
P
E *A second appeal was filed by the City, requesting the re-obligation of \$2,419,141. Due to the denial of the first appeal for insufficient documentation, over 600 hard copies and over 1,000 scanned pages of documentation were submitted. The documentation included contracts, time sheets, equipment logs, and other documents to support reimbursement.*

A
L
S *In summary, \$1,320,007 of the force account labor and equipment costs and contract costs submitted for reimbursement was re-obligated. However, the remaining \$1,099,134 for the project management costs was denied and remained de-obligated resulting in the general fund absorbing this loss. Second appeals are final and should be unnecessary if complete support is submitted.*

LESSONS LEARNED may seem obvious but numerous factors contributed to these oversights. With improvements in planning, communications, and data quality, audit readiness has become more accurate and efficient. The revision of AP 4-2 as collaborative effort with stakeholders established roles and responsibilities for future events. Lines of communications were improved during this process and familiarized all with expectations. Additionally, detailed data collection processes were instituted to create an audit trail. Finally, the annual disaster training and disaster manual aid in continually updating and promoting best practices.

References

FEDERAL:

- **2 Code of Federal Regulations (CFR):**
www.ecfr.gov/cgi-bin/text-idx?SID=b88be42f570bbb3fa992d90e718ee545&tpl=/ecfrbrowse/Title02/2tab_02.tpl
- **44 CFR:**
www.gpo.gov/fdsys/pkg/CFR-2002-title44-vol1/content-detail.html
- **9500 Series Policy Publications - FEMA (Disaster Assistance Policy [DAP] series):**
www.fema.gov/9500-series-policy-publications
- **Debris Management Guide - FEMA 325/July 2007:**
www.fema.gov/pdf/government/grant/pa/demagde.pdf
- **Guidance for the Functional Classification of Highways:**
www.fhwa.dot.gov/planning/processes/statewide/related/highway_functional_classifications/fcauab.pdf
- **Developing and Maintaining Emergency Operations Plans:**
www.fema.gov/media-library-data/20130726-1828-25045-0014/cpg_101_comprehensive_preparedness_guide_developing_and_maintaining_emergency_operations_plans_2010.pdf
- **Public Assistance Guide - FEMA 322/June 2007:**
www.fema.gov/pdf/government/grant/pa/paguide07.pdf
- **Robert T. Stafford Disaster Relief and Emergency Assistance:**
www.fema.gov/media-library-data/1383153669955-21f970b19e8eaa67087b7da9f4af706e/stafford_act_booklet_042213_508e.pdf
- **System for Award Management (SAM)**
www.sam.gov/portal/SAM/#1

State:

- **Texas Department of Public Safety, TDEM forms and publications:**
www.txdps.state.tx.us/dem/downloadableforms.htm
- **Section 252-022 of the Texas Local Government:**
www.statutes.legis.state.tx.us/SOTWDocs/LG/htm/LG.252.htm
- **TDEM-62 Disaster Recovery Manual:**
www.txdps.state.tx.us/InternetForms/Forms/TDEM-62.pdf

STATE continued:

- **TDEM-93 Disaster Summary Outline:**
www.txdps.state.tx.us/InternetForms/Forms/TDEM-93.pdf

LOCAL:


- **City of Houston Finance Department:**
www.houstontx.gov/finance/acct/general_accounting.html
- **City of Houston Emergency Management Plan:**
[www.houstonoem.org/external/content/document/4027/1124975/1/COH%](http://www.houstonoem.org/external/content/document/4027/1124975/1/COH%20Disaster%20Assistance%20Recovery%20Manual%20(DARM).pdf)
 - ⇒ COH Disaster Assistance Recovery Manual (DARM)
 - ⇒ COH Emergency Plan Annex J Recovery
 - ⇒ COH Emergency Plan Annex M Resource Management
 - ⇒ COH Hazard Mitigation Plan
- **City of Houston Administrative Policies and Executive Orders:**
www.houstontx.gov/Administrative-Policies-and-Procedures
 - ⇒ COH AP 4-2 Internal Disaster Preparation and Recovery
 - ⇒ COH AP 5-2 Procurement Procedures
 - ⇒ COH AP 5-3 Petty Cash
 - ⇒ COH EO 1-14 Procurement Payment and Policies
 - ⇒ COH EO 1-42 Purchasing Card Policy and Procedures
- **City of Houston Procurement Department:**
[//purchasing.houstontx.gov/index.shtml](http://purchasing.houstontx.gov/index.shtml)
 - ⇒ COH Guide to Contingency Contracting (Emergency Purchases)
 - ⇒ COH Procurement Manual

DISCLAIMER: The information provided in this manual is intended as guidance **ONLY** and does not relieve the City of Houston and its departments of its responsibility to comply with Federal regulations and policies. Documentation requirements may change over time. The most current documentation requirements for items listed in this manual can be found in the above references.

APPENDIX 1:

Administrative

Procedure 4-2

		CITY OF HOUSTON Administrative Procedure	
		A.P. No: 4-2 Revised	
Subject:	Internal Disaster Preparation & Recovery	Effective Date: May 16, 2014	

1. AUTHORITY

- 1.1 Article VI, Section 7a, of the City Charter of the City of Houston.
- 1.2 City of Houston Emergency Management Plan.

2. PURPOSE

- 2.1 To outline the process by which the City implements appropriate action for collecting, documenting, maintaining, and reporting timely and accurate information in connection with a disaster that financially affects the City directly or indirectly.
- 2.2 To establish a method by which departments have cash available for use in disaster recovery.

3. OBJECTIVE

- 3.1 To establish a clear delineation of responsibilities for administration of a Public Assistance Program (PAP) grant and insurance recovery.
- 3.2 To establish documentation procedures whereby eligible disaster recovery costs can be reimbursed under a PAP and any insurance policy or program that exists at the time of the disaster.
- 3.3 To identify roles and responsibilities of City departments have related to collecting, documenting, and reporting information during and after a disaster.
- 3.4 To provide guidance, instruction for identifying and documenting Eligible Work done by City personnel and authorize the Finance Department (Finance) to issue procedures governing financial matters in this process to be used by other departments.
- 3.5 To provide for the establishment and administration of special accounts such as disaster recovery funds, cost center(s) and internal order numbers where all disaster related costs are captured.
- 3.6 To establish policies and procedures designed to govern an Emergency Cash Account (ECA).

4. SCOPE

- 4.1 All City departments are covered by this administrative procedure.

Approved: 	Date Approved: 05/16/2014	
--	------------------------------	--

- 4.2 With the exception of §8, this policy applies to all disasters that financially affect the City directly or indirectly, regardless of declaratory status, and will follow guidelines set forth to enhance and maximize capture of information to achieve maximum recovery reimbursement in the form of insurance, state, or federal reimbursement programs that exist at time of disaster (i.e. Public Assistance Program, Robert T. Stafford Disaster Relief, Emergency Assistance Act, insurance policy/program, etc.).

5. DEFINITIONS

Council Approval Threshold (CAT) – State law sets the dollar threshold (currently \$50,000) at which purchases must be solicited using a competitive process, unless specifically exempted by state law. Purchases greater than \$50,000 must also be approved by City Council.

Disaster Data Collection Team (DDCT) – The central preliminary damage information gathering body coordinated by the Office of Emergency Management (OEM), and consisting of representatives from Finance and the Administration & Regulatory Affairs Departments (ARA).

Disaster Assistance/Recovery Manual (DARM) – Maintained by OEM, the DARM provides guidance for City departments, along with the private sector, volunteer organizations, and citizens, outlining concept of operations, organizational plans, responsibilities, and methods for evaluating, documenting, and reporting damages as well as short and long-term recovery activities of mass care, individual assistance, and public assistance following a disaster.

Eligible Work – Work that is (i) a direct result of a presidentially declared major disaster or emergency, (ii) within the designated disaster area, unless associated with sheltering or evacuation activities, (iii) the scope of work is clearly defined on an approved Project Worksheet (PW) and (iv) the legal responsibility of the City. The purpose of such work is either for emergency protective measures, permanent restoration or debris removal.

Emergency Cash Account (ECA) – A fund used to facilitate needs for cash during a disaster. These monies are designated exclusively for payment of goods or services directly associated with disaster response and recovery.

Emergency Work – An activity done before, during and after a disaster to save lives, protect and preserve property, public health, or safety, and to provide essential public services. The two “emergency” work categories are identified as Categories “A” and “B”.

(A) – Debris Removal – Work to clear debris from public rights of way and other public property.

(B) – Emergency Protective Measure – Work before, during and after a disaster to eliminate / reduce immediate threats to life, public health, or safety, or to eliminate / reduce an immediate threat of significant damage to public and private property through cost-effective measures.

Federal Emergency Management Agency (FEMA) – A component of the U.S. Department of Homeland Security that prepares the nation for hazards, manages federal response and recovery efforts following any national incident, and administers the National Flood Insurance Program.

FEMA Kick-off Meeting – A meeting held by the FEMA Public Assistance Coordinator, establishing a partnership among FEMA, state and City, and is designed to focus on the specific needs of the City, while establishing eligibility and documentation requirements pertaining to the disaster.

Public Infrastructure – For the purposes of this policy, the roads, streets, bridges, storm water systems, traffic signs and signals, freeway and road lighting, water and wastewater systems needed for the basic facilities and services to sustain a community that are maintained by the Public Works & Engineering Department (PWE).

Permanent Work – Work that is required to restore a damaged facility to pre-disaster design, function, and capacity in accordance with applicable codes and standards. The five “permanent” work categories are identified as Categories

“C” through “G”:

- (C) – Road and Bridges – Roads, bridges, traffic controls, lighting, culverts, etc.;
- (D) – Water Control Facilities – Drainage channels, pumping facilities, select irrigation facilities;
- (E) – Buildings and Equipment – Buildings, including their contents and systems, heavy equipment and vehicles;
- (F) – Utilities – Water treatment and delivery systems, power generation and distribution facilities, sewage collection and treatment facilities, communications, etc.; and
- (G) – Parks, recreational facilities, and other facilities.

Preliminary Damage Assessment – Conducted to determine the estimated extent of damage to City-owned facilities and infrastructure as soon as humanitarian and emergency needs have been identified and access to the area is deemed safe.

Project Worksheet (PW) – FEMA form that includes a facility location, a damage description, scope of Eligible Work in the form of emergency work or permanent work, estimated or actual costs, etc. PWs further address the special conditions of insurance, environmental and historical issues and form the basis for PA funding.

Public Assistance Disaster Recovery Fund – An accounting entity established to record the cost of Eligible Work, whether such work is initially charged to operating departments' budgets or capital project accounts.

Public Assistance Program (PAP) – FEMA program to provide supplemental federal disaster grant assistance for debris removal, emergency protective measures, and the repair, replacement, or restoration of disaster-damaged City owned facilities. The PAP also encourages protection of these damaged facilities from future events by providing assistance for hazard mitigation measures. The PAP provides federal assistance for emergency work and permanent work.

Robert T. Stafford Act – Authorizes federal disaster assistance to individuals and to governmental entities in the aftermath of a major emergency or disaster and outlines the types of available assistance. The majority of federal disaster assistance programs are administered by state agencies.

State of Emergency – Governmental declaration that can suspend normal City functions, alert citizens to change their normal behaviors, or order government agencies to implement emergency preparedness plans. Such declarations usually come during, or in anticipation of, a natural or manmade disaster.

6. RESPONSIBILITIES

- 6.1 The Office of the Mayor is responsible for overall coordination and direction of the City Emergency Management Plan to include post-disaster efforts.
- 6.2 The Emergency Management Coordinator, appointed by the Mayor, will take the lead in compiling the data and coordinate inputs for all departments and coordinate the activities of the DDCT.
- 6.3 The DDCT shall:
 - 6.3.1 Serve as the central collection point for all preliminary damage documentation relating to City-owned facilities and infrastructure that is impacted by a disaster.
 - 6.3.2 Operate out of the City's Emergency Operations Center.

- 6.3.3 Assemble when deemed safe to do so.
- 6.4 OEM is responsible for coordination of documentation related to a disaster, including:
 - 6.4.1 Providing a departmental brief annually, prior to June 1, concerning the DARM, and the associated forms and procedures outlined therein;
 - 6.4.2 Ensuring all departments are trained appropriately in damage assessments and documentation completion. This assurance may be accomplished through regular meetings as OEM deems appropriate and should include, at a minimum, annual training, prior to June 1, for department representatives assigned to take part in preliminary damage assessment;
 - 6.4.3 Collecting disaster related damage information and creating the Disaster Summary Outline submitted to the state, along with copies of the Local Disaster Declaration and the Mayor's letter requesting state/federal assistance;
 - 6.4.4 Preparing and coordinating the execution of applicable interlocal agreements by ensuring prior approvals are in place, and they are current and accessible at all times;
 - 6.4.5 Ensuring City-wide compliance with the National Incident Management System (NIMS) and the Homeland Security Presidential Directive 5 (HSPD-5).
 - 6.4.6 Coordinating among state/federal representatives and the City to ensure maximum recovery;
 - 6.4.7 Identifying work performed by the City that may be eligible for reimbursement in accordance with current FEMA regulations in conjunction with Finance and other City departments; and
 - 6.4.8 Establishing documentation procedures and standards to enable maximum recovery for eligible City costs.
- 6.5 Finance is responsible for:
 - 6.5.1 Issuance of an internal order number and implementation instructions to departments.
 - 6.5.2 Development and administration of all budgets, fund transfers, and all other fiscal matters pertaining to the disaster, including establishing and communicating a system for tracking administrative time when preparing PWs.
 - 6.5.3 Depositing disaster relief funds to the established recovery funds and provide copies of documentation to the OEM.
 - 6.5.4 Through the authority of the Finance Director, transferring funds within general and enterprise fund budgets in accordance with the disaster recovery fund budget, subject to Council approval as required by the budget ordinance and the five (5) % transfer provisions.
 - 6.5.5 Working with City departments to plan and coordinate the accounting process necessary to record the financial transactions resulting from the disaster, including the yearly instructions to departments on record keeping.
 - 6.5.6 Determining the proper amount of claims to submit to FEMA, other reimbursing agencies, and insurance companies, working in concert with ARA's Insurance Management Division (Insurance Management).
 - 6.5.7 Approving P-card limit adjustment plans. Authorizing and adjusting P-card limits upon disaster

declaration. Approving exceptions and increases after initial adjustments. Ensuring limits are adjusted back to normal at some period (TBD) after the disaster.

- 6.5.8 Preparing the City's emergency procurement policies and procedures and educating departments on a yearly basis on these policies and procedures.
- 6.5.9 Obtaining the Mayor's signature for all procurements that require an exception to the City's emergency procurement policies (with reason for exceptions, for FEMA reimbursement facilitation).
- 6.5.10 Maintaining separate records of all emergency purchases made by City departments above their purchasing authority in support of the disaster recovery effort, and requesting Council approval when required.
- 6.5.11 Preparing emergency specifications and bids in a manner consistent with relevant procurement laws.
- 6.6 ARA is responsible for handling insurance claims pertaining to the disaster.
 - 6.6.1 Insurance Management is responsible for working with departments to identify and document damages that may be eligible for insurance recovery and the coordination and negotiation of settlement for all insurance claims related to the disaster.
- 6.7 The Legal Department is responsible for:
 - 6.7.1 Ensuring every contract for services implemented in connection with applicable federal grant funding has complied with applicable procurement laws and includes sufficient assurances and language to meet all applicable federal, state, and local requirements as well as any insurance procedures.
 - 6.7.2 Assisting OEM in the preparation of interlocal agreements by ensuring prior approvals are in place, and that the agreements are current and accessible at all times.
 - 6.7.3 Assisting in determining the eligibility of costs under the Stafford Act and other relevant state and federal disaster laws.
 - 6.7.4 Filing appeals to FEMA, if necessary.
- 6.8 All departments are responsible for:
 - 6.8.1 Completing preliminary damage information for all property (e.g. buildings, vehicles, etc.) for which they are assigned responsibility.
 - 6.8.2 Assigning representatives to work in conjunction with the DDCT, and with the state and federal government. These representatives will attend training coordinated through the OEM. Representatives will be responsible for reporting damage, providing updates on damage assessments, monitor repairs, and report completed repairs. These representatives shall include:
 - 6.8.2.1 One or more employees who are knowledgeable of the damages and capable of reporting such damages; and
 - 6.8.2.2 One or more employees who will handle the financial documentation.
 - 6.8.3 Completing the required City Preliminary Property Damage Form (Attachment A) and submitting those forms to the DDCT within three calendar (3) days of the disaster.

APPENDIX 1

- 6.8.4 Completing and maintaining separate records of all forms and providing such documentation as is necessary to identify costs related to federal, state, or insurance Eligible Work.
- 6.8.5 Providing all necessary information and assistance to federal officials performing damage estimates and the City's insurance representatives.
- 6.8.6 Understanding that signatures on each form certify that all information summarized and/or attached is true and correct.
- 6.8.7 Completing, documenting and maintaining their own internal departmental costs for the purpose of keeping disaster expenses separate from day-to-day operations. These records shall be maintained for audit purposes.
- 6.8.8 Performing any emergency work required and for formulating and/or review of all bid specifications developed for permanent work on facilities for all buildings for which, at the time of the disaster, they are assigned responsibility.
- 6.8.9 Coordinating, in accordance with the DARM, the development of PWs with complete supporting documentation for eligible costs.
- 6.8.10 Providing PWs and other relevant supporting documentation to Finance as needed.
- 6.9 The Public Works and Engineering Department is responsible for formulating and/or reviewing all bid specifications developed for permanent work on public infrastructure damage caused by the disaster.
- 6.10 For City-owned insurable assets falling outside of the defined public infrastructure, the asset owner or their designee shall be responsible for formulating and/or review of all bid specifications developed for repairs of damage caused by the disaster.

7. PROCEDURES

- 7.1 Immediately after the disaster, each department shall complete a City Preliminary Property Damage Form (Attachment A) and shall submit the subsequent City Preliminary Property Damage Forms to the DDCT within three (3) calendar days of the disaster. Refer to the DARM for detailed completion instructions.
- 7.2 OEM will complete and submit the Disaster Summary Outline to the state with all appropriate and necessary documentation.
- 7.3 As a result of a presidentially declared disaster, federal agencies will be referred to City departments through OEM and will assist City staff with the preparation of PWs to be submitted under the PAP. FEMA will distribute applicable forms at their kick-off meeting with the City.
- 7.4 Once a PW is completed, and the responsible department director, or designee, has signed it, he/she shall forward the City's copy of the original PW, along with any attachments, to OEM and Finance. Originating departments will keep copies of all documentation supporting each PW. Completed PWs provide the basis for all documentation of disaster costs.
- 7.5 Reimbursement for disaster related expenses is contingent on complete documentation of eligible expenditures. Documentation procedures will differ according to the nature of the transaction and the recovery method sought e.g., grant, insurance, etc. Transactions fall into one of five (5) categories as defined by FEMA below:
 - 7.5.1 Contracts;

- 7.5.2 Payments to vendors for services;
- 7.5.3 Salaries (straight-time and overtime), materials, and other direct costs related to City crews doing Eligible Work;
- 7.5.4 Use of City vehicles and equipment (mileage/fuel usage/purpose/operator); and
- 7.5.5 Repair of damage done to City facilities or equipment.
- 7.6 The following documents (refer to the DARM for a comprehensive list) should be kept for contract work as well as any photographs, videos and sketches for additional clarity:
 - 7.6.1 Project Worksheet
 - 7.6.2 Project cost summary
 - 7.6.3 Requests for bids
 - 7.6.4 Bid documents/work specifications
 - 7.6.5 Bid summary sheet
 - 7.6.6 Contracts/purchase orders and change orders thereto
 - 7.6.7 Invoices submitted by the contractor
 - 7.6.8 Invoices submitted for engineering services
 - 7.6.9 Authorization for check issuances
 - 7.6.10 Copies of checks issued for payment
- 7.7 All non-payroll recovery costs will be charged to the appropriate accounts and to an internal order number and a disaster recovery grant or fund that will be established by Finance and communicated to departments prior to the disaster if possible.
 - 7.7.1 Straight time payroll expenditures for recovery efforts will be charged to the internal order number and the operating budget of the department.
 - 7.7.2 Overtime payroll expenditures for recovery efforts will be charged to the internal order number and the disaster recovery grant or fund.
- 7.8 If service costs are expected to fall above the CAT:
 - 7.8.1 Bid specifications are to be submitted first for review by Finance's Strategic Purchasing Division (SPD), and to the Legal Department if over \$1 million, to ensure compliance with federal, state, and local regulations.
 - 7.8.2 All other City bidding procedures will be followed.
 - 7.8.3 Necessary emergency purchases that exceed the CAT shall be approved by SPD prior to City Council approval. Purchases made in this manner shall be submitted to City Council for review once the crisis has passed.
 - 7.8.4 The vendor payment process will follow documentation guidelines, which include controls estab-

lished by Finance and agreed to by the City Controller.

7.9 Use of City Vehicles and equipment:

7.9.1 The use of all City-owned vehicles and equipment for disaster responses will be documented along with other internal departmental costs.

7.9.2 Based upon the current Federal Schedule of Equipment Rates provided by FEMA via OEM, the reimbursable cost of City-owned vehicles and equipment for recovery efforts will be charged to the internal order number and the disaster recovery grant or fund that will be established by Finance and communicated to departments prior to the disaster if possible.

7.10 Repair of damage to City property which is insured in whole or in part:

7.10.1 Facility damage is to be handled as follows:

7.10.1.1 All damage is to be reported to the DDCT. All PWs prepared by the City, federal and state representatives on damages will be coordinated through the OEM. Copies of PWs will be forwarded to Insurance Management and Finance.

7.10.1.2 All departments, depending on the nature of the damage, will prepare repair specifications. Copy of approved specifications should be sent to the Insurance Management.

7.10.1.3 Once contracts for facility repair have been awarded, a copy will be forwarded to the DDCT and the department charged with overseeing the repairs. Contracts should be attached to the PW for documentation purposes.

7.10.1.4 Insurance Management will work with the City insurance company to secure reimbursement for damages.

7.10.1.5 Temporary repairs and emergency clean-up of buildings or facilities shall be documented.

7.10.1.6 Each department shall submit, as part of the PW process, a detailed listing of all materials (with itemized cost) used in making temporary repairs and affecting emergency clean-up of City facilities.

7.10.1.7 Each department shall submit the personnel hours with the salaries paid to employees involved in these activities (regardless of classification).

7.10.1.8 Any department that has awarded emergency contracts for facility repairs shall send a copy of the contract including the scope of work and contract amount to Insurance Management.

8. EMERGENCY CASH ACCOUNT (ECA)

8.1 The ECA is hereby established.

8.2 With exception to the directives stated in this section of this policy, ECA procedures shall be governed by A.P. 5-3, Petty Cash.

8.3 Additional budgeted funds shall not be granted for an ECA. A temporary drawdown from a predetermined fund, cost center and general ledger account within the department's normal operating budget must be established prior to a disaster. It is the department's responsibility to ensure that the targeted drawdown location is

adequately funded.

- 8.4 An ECA shall be activated when a state of emergency is declared by the Mayor.
- 8.5 Finance shall establish a method by which an ECA drawdown shall take place, to include drawdown activation and fund delivery to the ECA's designated financial institution. Individual financial institution designation may be requested by a department as a part of the ECA justification package.
- 8.6 All funds allocated must be drawn down in one lump sum, thereby activating the ECA; however, cash withdrawals may be made in-whole or in-part.
 - 8.6.1 If essential, full or partial fund replenishment is authorized. The request and justification for replenishment shall be submitted to the Finance Director. Upon approval, the Finance Department shall perform a subsequent drawdown from the established funding source and deposit these funds into the same financial institution account.
- 8.7 ECA Establishment or Increase:
 - 8.7.1 Departments shall establish or request an increase to an ECA in accordance with the forms used in A.P. 5-3, Petty Cash, §7.3.
 - 8.7.2 Each department must show cause in order to qualify for an ECA. Cause must include a clearly established need to distribute cash during a disaster that cannot be accommodated at a later time through existing contracts. This explanation shall originate with the department's director or designee and accompany ECA establishment or increase requests.
 - 8.7.3 Written justification must be provided when establishing an ECA dollar amount.
 - 8.7.4 Departments shall provide an operating procedure, delineating ECA safeguards and controls once activated, which shall accompany the justification letter. Department's shall keep this document up to date.
 - 8.7.5 The Controller's Office shall approve and establish fund destination bank accounts for the ECA.
- 8.8 Each ECA shall have a primary custodian and up to three alternate custodians.
 - 8.8.1 The primary custodian shall activate an alternate custodian only in the event that the primary custodian is unavailable to perform the duty. If the primary custodian is unable to relay this notice, alternate custodians shall have an understanding of a default alternate custodian activation order.
 - 8.8.2 The custodian who withdraws the ECA cash from the designated financial institution shall be considered the primary custodian for the duration of the ECA activation period.
 - 8.8.3 The primary custodian is responsible for all ECA transactions and losses.
 - 8.8.4 All ECA custodians and alternates shall maintain a pay grade of 26 or higher; however, all transaction and expenditure summaries/reports submitted to the Controller's Office must be approved by a pay grade 32 or higher within the same department.
 - 8.8.5 It is the department's responsibility to ensure its custodian and alternate(s) list is current with the ECA's financial institution.
- 8.9 Supporting Documentation

APPENDIX 1

- 8.9.1 All ECA transactions must be logged in a journal dedicated to the ECA and supported by receipt.
- 8.9.2 This information should be transferred over to an electronic journal when feasible.
- 8.9.3 Receipts, with the vendor's name, should be maintained for all expenditures. Attachment B – Emergency Cash Account Receipt shall be printed in advance and used to document all expenditures.
- 8.10 The ECA custodian shall routinely reconcile the ECA. At a minimum, this should be performed on a daily basis.
- 8.11 Fund Theft – See A.P. 5-3, Petty Cash, §7.6.
- 8.12 Purchasing Limitations
 - 8.12.1 ECA purchases are limited to goods or services that cannot reasonably be accommodated through existing contracts and serve to directly assist in disaster recovery.
 - 8.12.2 Prohibited purchases:
 - 8.12.2.1 Cashing personal checks.
 - 8.12.2.2 Loans to employees or others.
 - 8.12.2.3 Personal expenditures (e.g. plants, office decorations, etc.).
 - 8.12.2.4 Payroll advances to employees.
 - 8.12.2.5 Reimbursements of state sales tax for any purchase (the sales tax exemption certificate should be presented to the vendor when petty cash is used to pay for goods or services).
 - 8.12.2.6 Making change for transactions involving cash sales or where cash is received.
 - 8.12.2.7 Entertainment of any kind.
 - 8.12.2.8 Other inappropriate purposes established by the Approving Authority.
- 8.13 A.P. 5-3, Petty Cash, §§7.7 & 7.8 shall be complied with for policies to establish a new ECA custodian and back-up custodian, respectively. For the purposes of this policy, the alternate custodian shall follow the same protocols governing the back-up custodian.
- 8.14 An ECA shall be replenished by state and federal reimbursements when plausible. It is the department's responsibility to compensate for the funds used for the ECA when performing normal operations. This may include additional appropriations granted by City Council.
- 8.15 Fund Deactivation – An ECA may not be deactivated until the Mayor rescinds the state of emergency. Once rescinded, all ECAs must be closed out within 30 days. If extenuating circumstances present a causal relationship fostering continued ECA spending, extensions to the 30 day closeout may be granted by the Finance Director with written justification.
 - 8.15.1 The final fund reconciliation must be verified and signed off by a designee appointed by the department director. This designee may not be the ECA custodian or an alternate.

8.15.2 Once all remaining funds have been returned to the account of origin, the receipts have been justified with no discrepancies and A.P. 5-3, Petty Cash, §§7.9.1.1 – 7.9.1.3 has been complied with, the ECA shall be considered deactivated.

8.16 Fund Closeout – See A.P. 5-3, Petty Cash, §7.11.

8.17 Compliance with §8.15 shall be monitored by the Finance Department. This scrutiny shall include validation of the final ECA cash balance reconciliation and general audit proceedings.

9. ATTACHMENTS

9.1 Attachment A - City Preliminary Property Damage Form

9.2 Attachment B - Emergency Cash Account Receipt

Attachment A

City Preliminary Property Damage Form

City Preliminary Property Damage Form

Event/Incident: ☐ Fire ☐ Flood ☐ Wind ☐ Other _____

Department: _____ Division: _____

Date of Loss: _____ Estimated Time of Loss: _____

Location of Damage* (Name of Building/Structure): _____

Address of Building/Structure*: _____

Insurance Key No.*: _____ (* Obtain information from the City
Schedule of Insured Property in Office of Emergency Management's Disaster Recovery Manual
(DARM).)

Description of Damaged Building/Structure (examples: actual building, permanently installed fixtures, machinery, outdoor fixtures, fire extinguishing equipment, floor coverings, appliances):

Estimated Loss \$ _____ Description _____

Description of Damaged Contents (examples: furniture, computers, and supplies):

Estimated Loss \$ _____ Description _____

Building/Content Contact Person: _____ Telephone: _____

(Contact person for scheduling inspections of damaged buildings/contents.)

Note: Please prepare one information sheet per location, per department; please do not add multiple locations or departments on one information sheet. *This form needs to be completed and returned to the Disaster Data Collection Team (Office of Emergency Management) within three calendar days of damage.*

Description of Damaged Vehicles (if needed, attach a schedule of damaged vehicles):

5-Digit Shop #	Make	Model	Year	Description	Amount of Loss
_____	_____	_____	_____	_____	\$ _____
_____	_____	_____	_____	_____	\$ _____
_____	_____	_____	_____	_____	\$ _____

Vehicle Contact Person: _____ Telephone: _____

Were photos of damage taken? _____ What is the photo format? _____


Person Completing Form: _____ Title: _____


Signature: _____ Date Signed: _____


Attachment B

Emergency Cash Account Receipt

Emergency Cash Account Receipt

CITY OF HOUSTON EMERGENCY CASH ACCOUNT RECEIPT		Dept. No.*			No.**			
Paid by:		Paid to:						
								
DESCRIPTION		Phone:						
		Address:						
		TAX EXEMPTION I.D.					1-74-600-1164-0	
		INTERNAL ORDER #						
		AMOUNT						
Date:	Received by:							

CITY OF HOUSTON EMERGENCY CASH ACCOUNT RECEIPT		Dept. No.*			No.**			
Paid by:		Paid to:						
								
DESCRIPTION		Phone:						
		Address:						
		TAX EXEMPTION I.D.					1-74-600-1164-0	
		INTERNAL ORDER #						
		AMOUNT						
Date:	Received by:							

CITY OF HOUSTON EMERGENCY CASH ACCOUNT RECEIPT		Dept. No.*			No.**			
Paid by:		Paid to:						
								
DESCRIPTION		Phone:						
		Address:						
		TAX EXEMPTION I.D.					1-74-600-1164-0	
		INTERNAL ORDER #						
		AMOUNT						
Date:	Received by:							

*Department's two digit identifier (e.g., 65 for ARA)

**Four digit, unique, sequential numbering identifier (e.g., 0001). No duplicate numbers should exist in the same department during the same state of emergency.

APPENDIX 2:

PW Forms for

SUMMARY

RECORDS

Project Worksheet FEMA Form 90-91

U.S. DEPARTMENT OF HOMELAND SECURITY FEDERAL EMERGENCY MANAGEMENT AGENCY PROJECT WORKSHEET				O.M.B. No. 1660-0017 Expires October 31, 2008	
PAPERWORK BURDEN DISCLOSURE NOTICE Public reporting burden for this form is estimated to average 90 minutes per response. Burden means the time, effort and financial resources expended by persons to generate, maintain, disclose, or to provide information to us. You may send comments regarding the burden estimate or any aspect of the collection, including suggestions for reducing the burden to: Information Collections Management, U.S. Department of Homeland Security, Federal Emergency Management Agency, 500 C Street, SW, Washington, DC 20472, Paperwork Reduction Project (OMB Control Number 1660-0017). You are not required to respond to this collection of information unless a valid OMB number appears in the upper right corner of this form. NOTE: Do not send your completed questionnaire to this address.					
DISASTER FEMA-_____-DR-____		PROJECT NO.	PA ID NO.	DATE	CATEGORY
DAMAGED FACILITY				WORK COMPLETE AS OF _____:_____%	
APPLICANT			COUNTY		
LOCATION				LATITUDE	LONGITUDE
DAMAGE DESCRIPTION AND DIMENSIONS					
SCOPE OF WORK					
Does the Scope of Work change the pre-disaster conditions at the site? <input type="checkbox"/> Yes <input type="checkbox"/> No Special Considerations issues included? <input type="checkbox"/> Yes <input type="checkbox"/> No Hazard Mitigation proposal included? <input type="checkbox"/> Yes <input type="checkbox"/> No Is there insurance coverage on this facility? <input type="checkbox"/> Yes <input type="checkbox"/> No					
PROJECT COST					
ITEM	CODE	NARRATIVE	QUANTITY/UNIT	UNIT PRICE	COST
TOTAL COST				▶	
PREPARED BY		TITLE		SIGNATURE	
APPLICANT REP.		TITLE		SIGNATURE	

Force Account Labor Summary FEMA Form 90-123

DEPARTMENT OF HOMELAND SECURITY FEDERAL EMERGENCY MANAGEMENT AGENCY FORCE ACCOUNT LABOR SUMMARY RECORD						PAGE OF 		O.M.B. No. 1660-0017 Expires December 31, 2011					
APPLICANT				PA ID NO.		PROJECT NO.		DISASTER					
LOCATION/SITE						CATEGORY		PERIOD COVERING					
DESCRIPTION OF WORK PERFORMED													
NAME		DATES AND HOURS WORKED EACH WEEK						COSTS					
JOB TITLE		DATE							TOTAL HOURS	HOURLY RATE	BENEFIT RATE/HR	TOTAL HOURLY RATE	TOTAL COSTS
NAME		REG.											
JOB TITLE		O.T.											
NAME		REG.											
JOB TITLE		O.T.											
NAME		REG.											
JOB TITLE		O.T.											
NAME		REG.											
JOB TITLE		O.T.											
NAME		REG.											
JOB TITLE		O.T.											
TOTAL COSTS FOR FORCE ACCOUNT LABOR REGULAR TIME												\$	
TOTAL COST FOR FORCE ACCOUNT LABOR OVERTIME												\$	
I CERTIFY THAT THE INFORMATION ABOVE WAS OBTAINED FROM PAYROLL RECORDS, INVOICES, OR OTHER DOCUMENTS THAT ARE AVAILABLE FOR AUDIT.													
CERTIFIED						TITLE				DATE			

FEMA Form 90-123, FEB 09

Benefit Calculation FEMA Form 90-128

DEPARTMENT OF HOMELAND SECURITY FEDERAL EMERGENCY MANAGEMENT AGENCY APPLICANT'S BENEFITS CALCULATION WORKSHEET		PAGE OF 	O.M.B. No. 1860-0017 Expires December 31, 2011
APPLICANT		PA ID NO.	
DISASTER		PROJECT NO.	
FRINGE BENEFITS (by %)	REGULAR TIME	OVERTIME	
HOLIDAYS			
VACATION LEAVE			
SICK LEAVE			
SOCIAL SECURITY			
MEDICARE			
UNEMPLOYMENT			
WORKER'S COMP.			
RETIREMENT			
HEALTH BENEFITS			
LIFE INS. BENEFITS			
OTHER			
TOTAL in % annual salary			
COMMENTS			
I CERTIFY THAT THE INFORMATION ABOVE WAS TRANSCRIBED FROM PAYROLL RECORDS OR OTHER DOCUMENTS WHICH ARE AVAILABLE			
Name		TITLE	DATE

FEMA Form 90-128, FEB 09

Materials Summary Record FEMA Form 90-124

DEPARTMENT OF HOMELAND SECURITY FEDERAL EMERGENCY MANAGEMENT AGENCY MATERIALS SUMMARY RECORD					PAGE OF 		O.M.B. No. 1660-0017 Expires December 31, 2011	
APPLICANT 			PA ID NO. 		PROJECT NO. 		DISASTER 	
LOCATION/SITE 			CATEGORY 		PERIOD COVERING 			
DESCRIPTION OF WORK PERFORMED <div style="border: 1px solid black; height: 40px; margin-top: 5px;"></div>								
VENDOR	DESCRIPTION	QUAN.	UNIT PRICE	TOTAL PRICE	DATE PURCHASED	DATE USED	INFO FROM (CHECK ONE) INVOICE STOCK	
GRAND TOTAL								
I CERTIFY THAT THE INFORMATION WAS OBTAINED FROM PAYROLL RECORDS, INVOCIES, OR OTHER DOCUMENTS THAT ARE AVAILABLE FOR AUDIT.								
CERTIFIED 			TITLE 				DATE 	

FEMA Form 90-124, FEB 09

Force Account Equipment Summary Record FEMA Form 90-127

DEPARTMENT OF HOMELAND SECURITY FEDERAL EMERGENCY MANAGEMENT AGENCY FORCE ACCOUNT EQUIPMENT SUMMARY RECORD						PAGE OF 		<i>O.M.B. No. 1660-0017 Expires April 30, 2013</i>					
APPLICANT			PAID NO.		PROJECT NO.		DISASTER						
LOCATION/SITE					CATEGORY		PERIOD COVERING						
DESCRIPTION OF WORK PERFORMED													
TYPE OF EQUIPMENT		OPERATOR'S NAME	DATES AND HOURS USED EACH DAY							COSTS			
INDICATE SIZE, CAPACITY, HORSEPOWER, MAKE AND MODEL AS APPROPRIATE	EQUIPMENT CODE NUMBER		DATE								TOTAL HOURS	EQUIPMENT RATE	TOTAL COST
			HOURS										
			HOURS										
			HOURS										
			HOURS										
			HOURS										
			HOURS										
			HOURS										
			HOURS										
GRAND TOTAL													
I CERTIFY THAT THE ABOVE INFORMATION WAS OBTAINED FROM PAYROL RECORDS, INVOICES, OR OTHER DOCUMENTS THAT ARE AVAILABLE FOR AUDIT.													
CERTIFIED					TITLE					DATE			

FEMA Form 90-127, AUG 10

FEMA Form 90-125, FEB 09

Contract Work Summary Record FEMA Form 90-126

DEPARTMENT OF HOMELAND SECURITY FEDERAL EMERGENCY MANAGEMENT AGENCY CONTRACT WORK SUMMARY RECORD		PAGE <input type="text"/> OF <input type="text"/>		O.M.B. No. 1660-0017 Expires December 31, 2011	
APPLICANT		PA ID NO.	PROJECT NO.	DISASTER	
LOCATION/SITE		CATEGORY		PERIOD COVERING	
DESCRIPTION OF WORK PERFORMED					
DATES WORKED	CONTRACTOR	BILLING/INVOICE NUMBER	AMOUNT	COMMENTS- SCOPE	
GRAND TOTAL					
I CERTIFY THAT THE INFORMATION WAS OBTAINED FROM PAYROLL, INVOICES, OR OTHER DOCUMENT THAT ARE AVAILABLE FOR AUDIT.					
CERTIFIED		TITLE		DATE	

FEMA Form 90-126, FEB 09

Print Form

APPENDIX 3:

Eligibility Charts

Eligibility Charts

The following charts can be utilized in determining eligibility for Public Assistance reimbursement within the work categories indicated. Items that are usually eligible are listed on the left, while ineligible items are indicated on the right.

Eligibility Charts

Procurement/Contracts	
Eligible	Ineligible
Small Purchase	Cost Plus Percentage
Sealed Bids	PiggyBack Contracts (Utilizing a previous contract for new scope of work)
Competitive Bids	Time & Materials*
Lump Sum	Debarred Contractors
Unit Price	Non-Competitive Proposals*
Cost Plus Fixed Fee	

* To be avoided or requires strict criteria to meet eligibility requirements.

General	
Eligible	Ineligible
Reasonable & necessary costs	Alcoholic Beverages
Complies with Federal, State, and Local Regulations	Bad Debts
	Donations/Contributions
	Entertainment
	Fines/Penalties
	Insurance Proceeds, salvage value, and purchase discounts must be deducted from claimed costs
	Goods & Services for Personal Use
	Excessive or Unreasonable Costs
	Cost Outside of Scope of Work
	Upgrades or Improvements (not including approved mitigation projects)
	Costs Outside of Time Period

Force Account Labor	
Eligible	Ineligible
Overtime for Emergency Work	Comp Time (please see further discussion about Labor costs in FEMA Guides)
Regular & Overtime Hrs for Perm Work	Straight Time for Emergency Work

Direct Administrative Costs (DAC)	
Eligible	Ineligible
Collecting documentation to validate a claim	Applicant Briefing & PreAward Activities
Direct travel expenses (ex. To monitor project site)	Kick-Off Meetings
Initial & final site inspections	General support travel expenses
Developing an alternate project	Review of Compliance with PA Requirements
	Indirect Costs

APPENDIX 4:

Claim Summary

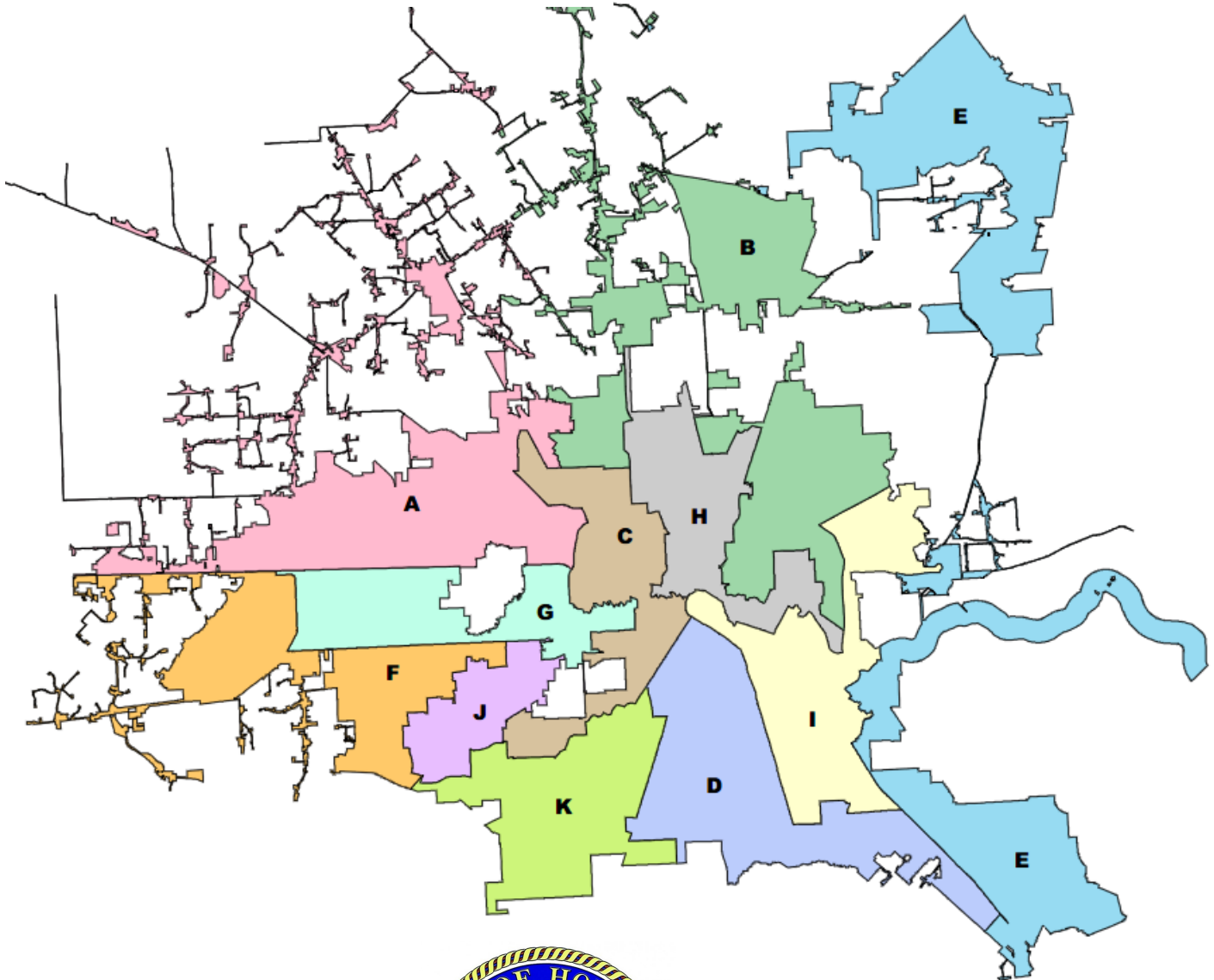
Page _____ Of _____					
Division of Emergency Management Texas Department of Public Safety Summary of Documentation in Support of Claimed Amount					
Applicant:			FEMA	DR TX	Project Worksheet (PW):
References	Dates	Item Description	Line Item Amount	Total Claimed Actual Cost	Total Per FEMA PW
Payroll, Time Cards, Work Orders, Personnel policies. Labor use log	Inclusive Dates	Force Account Labor Regular Time Overtime Fringe Benefits (Regular) Fringe Benefits (Overtime)		Total of Line Items for Category	Total for category from FEMA PW
FEMA No. for Force Account and invoice and checks for rentals. Equipment use logs	Inclusive Dates	Equipment Force Account Rental			
Load Tickets, Invoice & Check Numbers Material Use log.	Date Delivered	Material Major Material Item... Miscellaneous Material Items...			
Bid Documents, Contract, Invoice and check numbers. Contract Log	Inclusive dates and PW numbers if Contract covers more than one.	Contract Line Items if Applicable...			
Total					
Description of work accomplished and explanation of cost differences between Actual Costs and FEMA PW amounts. Use additional sheet if necessary.					
<div style="border: 2px solid black; padding: 20px; margin: 0 auto; width: 80%;"> <h1 style="margin: 0;">INSTRUCTION</h1> </div>					

City of Houston Council Districts

A : Brenda Stardig	G : Oliver Pennington
B : Jerry Davis	H : Edward Gonzalez
C : Ellen R. Cohen	I : Robert Gallegos
D : Dwight Boykins	J : Mike Laster
E : David Martin	K : Larry V. Green
F : Richard Nguyen	

At Large Council

- | | |
|------------------------|-------------------------|
| 1: Stephen C. Costello | 4: C.O. "Brad" Bradford |
| 2: David W. Robinson | 5: Jack Christie |
| 3: Michael Kubosh | |



Mayor Annise D. Parker

Finance Director Kelly Dowe